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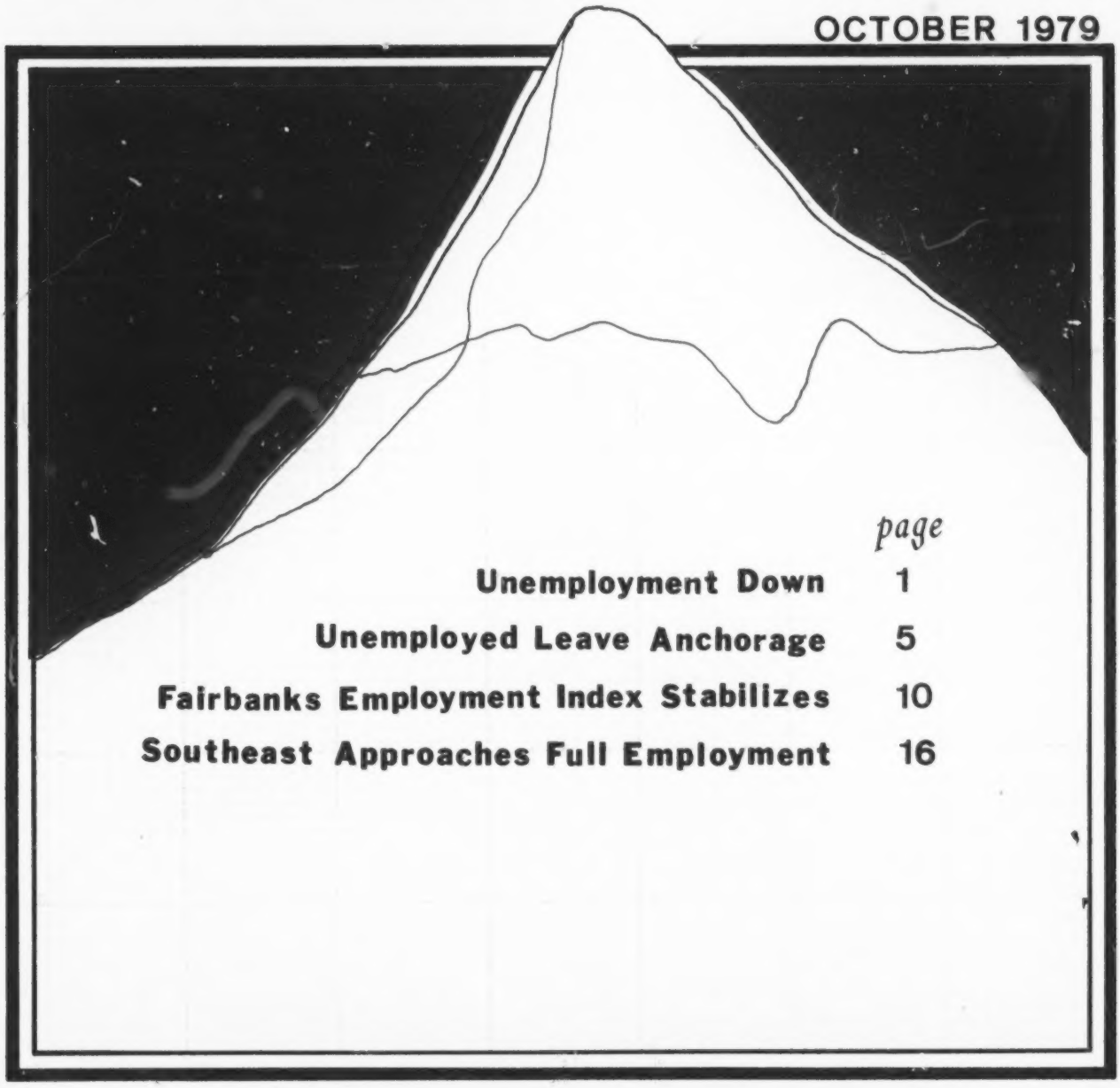
ALASKA ECONOMIC TRENDS

OCTOBER 1979



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STATE OF ALASKA DEPARTMENT OF LABOR
RESEARCH AND ANALYSIS SECTION
JAY S. HAMMOND, GOVERNOR

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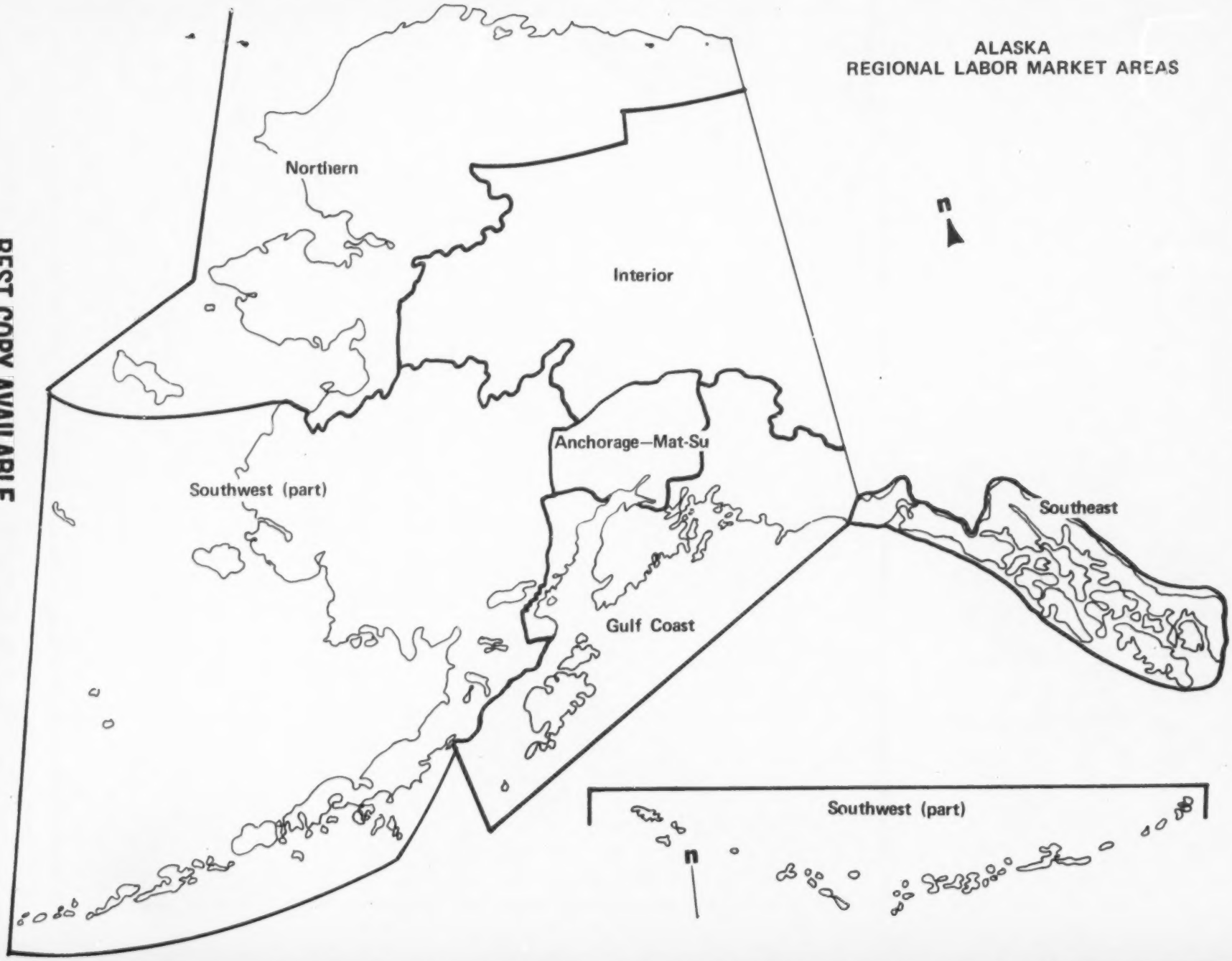

ALASKA ECONOMIC TRENDS

Jay S. Hammond, Governor
State of Alaska

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October 1979

Chris Miller, Editor

ALASKA'S LABOR FORCE IN AUGUST

By Sally Saddler

Alaska no longer has the highest unemployment rate in the nation. Until two months ago, Alaska had the dubious distinction of having the nation's highest unemployment rate for 19 out of 20 months. (During July 1978, Washington, D.C. had a rate that was 0.1 percentage point higher.)

The 12 percent drop in August's unemployment rate makes it less than 1 percentage point above the 6.0 percent national rate. Continued improvement in the rate has been attributed to the combined effect of 3 factors: normal seasonal expansion of the labor force, continued out-migration of unemployed workers, and an increase in the number of discouraged workers dropping out of the labor force.

Double digit unemployment disappeared in all but 3 of Alaska's census divisions. Unemployment rates in 5 regions improved, while the end of Bristol Bay's record breaking sockeye run resulted in a stabilized rate in the Southwest region. A 22 percent decline from July's rate of 6.3 percent placed the Southeast region at a level near full employment, a condition which exists when all who are able and willing to work can find gainful employment.

Manufacturing employment was the mainstay of the 4,000 worker increase in statewide wage and salary employment, contributing to almost 40 percent of the overall monthly increase. One fifth of total wage and salary employment in the Southeast is in

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

	p/ 8-79	r/ 7-79	8-78	Changes From: 7-79	8-78
Nonagricultural Wage & Salary.....	174,800	170,700	179,300	4,100	-4,500
Mining.....	5,300	5,500	5,800	-200	-500
Construction.....	12,700	11,800	150,000	900	-2,300
Manufacturing.....	18,100	16,500	17,700	1,600	400
Food & Kindred Products.....	12,300	10,900	11,500	1,400	800
Lumber & Paper Products.....	3,500	3,400	3,600	100	-100
All Other Manufacturing.....	2,300	2,200	2,600	100	-300
Transp.-Comm. & Utilities.....	17,900	17,600	17,800	300	100
Trucking & Warehousing.....	2,300	2,400	3,000	-100	-700
Water Transportation.....	1,700	1,600	1,400	100	300
Air Transportation.....	5,300	5,000	5,000	300	300
Other Transp.-Comm. & Utilities..	8,600	8,600	8,400	0	200
Trade.....	29,800	29,300	30,400	500	-600
Wholesale Trade.....	6,000	5,700	6,000	300	0
Retail Trade.....	23,800	23,600	24,400	200	-600
General Merchandise & Apparel..	4,000	3,900	4,200	100	-200
Food Stores.....	3,400	3,300	3,600	100	-200
Eating & Drinking Places.....	8,500	8,400	8,100	100	400
Other Retail Trade.....	7,900	7,900	8,500	-100	-600
Finance-Insurance & Real Estate....	7,800	7,800	8,300	0	-500
Services & Miscellaneous.....	30,700	30,400	30,800	300	-100
Government 2/.....	52,500	51,900	53,500	600	-1,000
Federal.....	18,800	19,100	18,800	-300	0
State.....	14,800	15,200	14,300	-400	500
Local.....	18,900	17,600	20,400	1,300	-1,500

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

CHARACTERISTICS OF THE INSURED UNEMPLOYED
STATEWIDE

State Unemployment Insurance Statistics

	8-79	7-79	8-78
TOTAL WEEKS CLAIMED	8,230	9,051	10,447
CLAIMANT SEX AND AGE			
Male Claimants	4,460	5,138	6,310
Less than 25	800	831	1,160
25 - 34	1,686	1,935	2,352
35 - 44	826	1,014	1,107
45 - 54	550	682	778
55 - 64	406	423	499
Over 65	62	85	78
Unknown	130	168	336
Female Claimants	3,770	3,913	4,137
Less than 25	783	759	899
25 - 34	1,380	1,439	1,525
35 - 44	775	806	759
45 - 54	502	498	492
55 - 64	222	255	216
Over 65	25	22	31
Unknown	83	134	215
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining	285	253	188
Contract Construction	1,606	2,179	3,312
Manufacturing	477	524	539
Transportation, Communications, Utilities	789	833	1,026
Trade	1,363	1,341	1,517
Finance, Insurance, Real Estate	410	436	481
Services	2,489	2,559	2,272
Other	789	795	327
Unknown	22	131	785
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial	1,354	1,398	1,279
Clerical, Sales	1,768	1,738	2,007
Service	1,247	1,340	1,379
Farming, Fishing, Forestry	47	73	77
Processing	162	164	124
Machine Trades	285	279	490
Bench Work	54	61	61
Structural Work	2,273	2,801	3,392
Miscellaneous	1,002	1,130	1,350
Unknown	38	67	288
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks	2,498	2,826	2,318
5 - 14 Weeks	1,307	1,387	2,502
15 Weeks & Over	655	925	1,490
Female Claimants			
1 - 4 Weeks	2,051	2,230	1,226
5 - 14 Weeks	1,255	1,174	2,086
15 Weeks & Over	464	509	825

manufacturing and improved employment opportunities in Southeastern manufacturing during August helped to lower the unemployment rate.

Exceptional runs and harvests in 3 main commerical fishing areas spurred employment in fish processing. Preliminary final catch figures for the season indicate why. The largest area catch this year occurred in Bristol Bay with a total of 22.8 million fish, 21.4 million of which were sockeye salmon. Surpassing all previous catches in Prince William Sound was a record catch of 16.4 million fish. The previous record high, recorded in 1945, was 13.6 million fish. In Lower Cook Inlet, 2.9 million pink salmon comprised the bulk of the 3.3 million catch.

Anticipated coho closures in Southeast materialized around the middle of the month. However, employment in Southeastern continued to increase because of strong chum, pink and red harvests in the Prince of Wales Island area, Taku Inlet and Lynn Canal. Spawning areas in Southeast, aggravated by unusually hot and dry August weather, approached critically low water levels. While this does not present current limitations, it could affect future runs.

Lumber and paper product manufacturing employment remained stable over the month with a slight increase of 100 workers. Unusually arid weather led Forest Service officials to require only early morning shifts to be worked in the Ketchikan area of the Tongass National Forest at the beginning of the month. A further shutdown of the area was in effect for the last half of the month. The shutdown prohibited all woods work involving the use of moving cables and power saws. Some road work requiring limited use of yarding equipment was allowed. Normal seasonal growth in logging employment was lower than last August, whereas employment early in the season had been higher than year ago. Because 85 percent of statewide lumber-related employment is located in the Southeast, the shutdown probably restricted full seasonal employment expansion.

Residential and nonresidential construction employment experienced nothing more than seasonal gains this month as overall construction employment improved by 8 percent. Continuation of road construction and repair projects stimulated by Department of Transportation contracts bolstered highway construction employment around the state. The Federal Airport Development Aid Program allocated $8.9 million over the season which covered miscellaneous airport related projects from Ketchikan to Savoonga and Bethel. Year ago comparisons indicate that the increase in highway construction employment nearly offsets the decline in building employment.

Mining employment dropped by 200 workers during August. Several oil rigs were run on a standby basis due to a contract dispute between Nabors Alaska Drilling and the Roughnecks and Drillers Union. This affected five rigs on the North Slope and one drilling rig in the Cook Inlet Basin. In other exploratory drilling, the Marathon Company pulled anchor on one of its drilling rigs in the Cook Inlet area when geologists declared it dry. Mining activities in Nome declined as the summer season began drawing to a close.

Tourist related activity helped bolster employment in the trade and transportation sectors. Increases in air transportation outpaced all other types of transportation. While some of the increase was the result of increased air cargo activity, part of the increase probably supports the theory that more people are flying into and around Alaska as opposed to driving.

August's increase in government represented a combination of forces resulting in a net increase of 600 workers. Declines in state and federal government employment reflect the end of the forest fire season, and other seasonal jobs. Increases in local government employment, on the other hand, were the result of schools gearing up for the upcoming school year.

ANCHORAGE LABOP FORCE IN AUGUST

By Cal Dauel

The unemployment rate was 5.9 percent in August. This was the lowest it had been since 1977. The unemployment rate has not been a very reliable tool for close analysis of trends because of the current population survey adjustments, but still the decline has been so consistent that there is some significance to it. The drop in rate parallels the decline in the number of unemployment insurance claimants. The number of weeks of compensation claimed at the Anchorage unemployment insurance office was 11 percent below last year's level.

It would appear that there are fewer unemployed people here this year. There are certainly fewer people drawing unemployment insurance. Since the Anchorage economy has not strengthened over the year these workers have gone somewhere besides back to work. There are 3 major possibilities:

1) The normal seasonal expansion of unemployed workers did not occur. Statistics from the Alcan port of entry bear this out. Fewer people entered Alaska via the Alaska Highway. So the supply of unemployed people looking for work was smaller. Of course tourism could mask the effect of workers on this statistic, but building permits for residential construction, which would attract framing crews and the like, also shows a decline. Anchorage permits for residential housing were down by 49 percent through August, while highway travel was down by 8 percent.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE

	8-79 p/	7-79 r/	8-78	Changes From: 7-79	Changes From: 8-78
Nonagricultural Wage & Salary.....	80,400	79,100	81,250	1,300	-850
Mining.....	1,650	1,650	1,950	0	-300
Construction.....	7,050	6,500	7,700	550	-650
Manufacturing.....	2,500	2,350	2,150	150	350
Food & Kindred Products.....	1,050	900	600	150	450
Other Manufacturing.....	1,450	1,450	1,550	0	-100
Transp.-Comm. & Utilities.....	8,850	8,600	8,600	250	250
Trucking & Warehousing.....	1,450	1,450	1,600	0	-150
Water Transportation.....	500	450	350	50	150
Air Transportation.....	3,000	2,900	2,900	100	100
Other Transp.-Comm. & Utilities..	3,900	3,800	3,750	100	150
Trade.....	17,200	16,750	17,050	450	150
Wholesale Trade.....	4,200	4,100	4,350	100	-150
Retail Trade.....	13,000	12,650	12,700	350	300
General Merchandise & Apparel..	1,700	1,700	1,850	0	-150
Food Stores.....	1,450	1,450	1,600	0	-150
Eating & Drinking Places.....	4,700	4,450	4,200	250	500
Other Retail Trade.....	5,150	5,050	5,050	100	100
Finance-Insurance & Real Estate....	4,800	4,750	5,150	50	-350
Services & Miscellaneous.....	16,200	16,000	16,550	200	-350
Government 2/.....	22,150	22,500	22,100	-350	50
Federal.....	10,450	10,600	10,100	-150	350
State.....	4,550	4,600	4,500	- 50	50
Local.....	7,150	7,300	7,500	-150	-350

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

CHARACTERISTICS OF THE INSURED UNEMPLOYED
IN ANCHORAGE

State Unemployment Insurance Statistics

	8-79	7-79	8-78
TOTAL WEEKS CLAIMED	3,053	3,258	3,447
CLAIMANT SEX AND AGE			
Male Claimants	1,661	1,842	2,058
Less than 25	370	369	390
25 - 34	651	676	687
35 - 44	298	329	424
45 - 54	186	272	268
55 - 64	138	158	178
Over 65	16	34	35
Unknown	2	4	76
Female Claimants	1,392	1,416	1,389
Less than 25	308	293	298
25 - 34	476	499	485
35 - 44	302	304	285
45 - 54	207	188	174
55 - 64	84	109	97
Over 65	10	4	9
Unknown	5	19	41
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining	91	74	70
Contract Construction	596	819	1,047
Manufacturing	115	138	120
Transportation, Communications, Utilities	257	271	369
Trade	679	614	619
Finance, Insurance, Real Estate	174	144	116
Services	928	983	850
Other	206	195	81
Unknown	7	20	175
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial	454	504	401
Clerical, Sales	786	759	805
Service	500	462	459
Farming, Fishing, Forestry	11	10	7
Processing	23	9	24
Machine Trades	98	127	136
Bench Work	34	38	29
Structural Work	759	899	1,030
Miscellaneous	386	435	425
Unknown	2	11	131
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks	668	737	884
5 - 14 Weeks	644	663	743
15 Weeks & Over	349	442	431
Female Claimants			
1 - 4 Weeks	473	581	462
5 - 14 Weeks	711	623	665
15 Weeks & Over	208	212	262

2) Unemployed workers have left the labor market area. The climbing Anchorage vacancy rate points this out adequately. Additionally, moving company activity and the increase in rental advertising leads to the same conclusion. School enrollments this fall will provide the same insight. Some of the workers went to other parts of the State. The fish harvest, for example, was good statewide and attracted workers. But workers are also leaving the state. A survey of union memberships statewide shows an overall decline of 13 percent from July 1978. Of course, workers could let their membership lapse but not leave the area. However, the Seattle economy is booming and attracting skilled workers to that area. Insured unemployed has had its biggest decline in the structural work occupations. Last year in August there were 1,030 weeks claimed with that occupation. This past August there were 759.

3) Finally, workers can become discouraged and drop out of the labor force. If they have exhausted their benefits and have no current earnings they are not part of the insured unemployed. If they are not actively looking for work, even the current population survey would not consider them unemployed. They would be out of the labor force.

A better way to reduce the ranks of the unemployed and the resulting rate is for workers to regain employment. Of course some people are going back to work even though the net result has been fewer workers this August than last year. One industry in particular has been employing more people this year. That is the manufacturing industry, and particularly the food processing sector.

The shift from canned salmon to frozen fish has facilitated the processing of catches in Anchorage. The large catches that overwhelmed local processors in other areas made fish available for shipment to Anchorage for freezing. Future years with smaller catches and freezing facilities closer to the catch could change all this, but for this year we had higher levels of employment. Employment in the processing sector was more than double last year's and has produced all the growth of the manufacturing industry.

Overall in Anchorage, wage and salary employment was down. Compared to last year there were 850 fewer jobs. There was, however, a positive change from July. There were 1,300 more jobs in August, which was greater than normal seasonal growth would anticipate. The nonagricultural wage and salary employment index reflected this additional growth since it is seasonally adjusted. The index was 158.1 in August, up from 157.0 in July. Still it was below the level of August 1978. As a matter of fact, beginning in July 1978, the index has consistently been below year-ago levels. A look at the accompanying graph shows a gradual downsloping trend since early in 1978.

ANCHORAGE–MATSU LABOR FORCE AUGUST

By Cal Dauel

By definition this region is composed of 2 labor market areas, Anchorage and Matanuska–Susitna. However, Anchorage is the major influence on the regional statistics since it has the most population and employment. Anchorage has 13 times as much employment. Still a portion of Mat-Su's population works in Anchorage linking the 2 labor markets together. As a consequence those communities in the Mat-Su valley, which are close to Anchorage, have an unemployment problem that is relatively typical of "bedroom" communities. Of the regions unemployed, 1 out of 6 are from Mat-Su producing the second highest unemployment rate of all the labor market areas in the state.

A look at employment by industry statistics for the region gives the impression that total wage and salary employment grew by 1,200 this month. As noted earlier, the Anchorage labor market area produced a growth of 1,300 so Mat-Su had a decline of 100 in total wage and salary employment. The general feeling of businessmen in the valley is negative to a similar degree.

Economic growth in the valley has been dependent upon growth in Anchorage or speculation on the capital move. Both have come to a halt and so has growth in the economy. Some impetus for growth is now coming from other directions. The Borough is moving toward development of a port on Cook Inlet. This would allow development of natural resources. Interest in the area's natural resources is increasing, particularly coal and cement. Development may not proceed at this time, but it is a step closer.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE-MATSU

				Changes From:	
	8-79 p/	7-79 r/	8-78	7-79	8-78
Nonagricultural Wage & Salary.....	84,050	82,850	84,750	1,200	-700
Mining.....	1,700	1,700	1,950	0	-250
Construction.....	7,350	6,800	8,000	550	-650
Manufacturing.....	2,650	2,400	2,150	250	500
Transp.-Comm. & Utilities.....	9,150	8,950	8,950	200	200
Trade.....	18,050	17,650	17,800	400	250
Finance-Insurance & Real Estate....	4,900	4,850	5,300	50	-400
Services & Miscellaneous.....	16,550	16,350	16,950	200	-400
Government 2/.....	23,700	24,150	23,650	-450	50

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merril Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

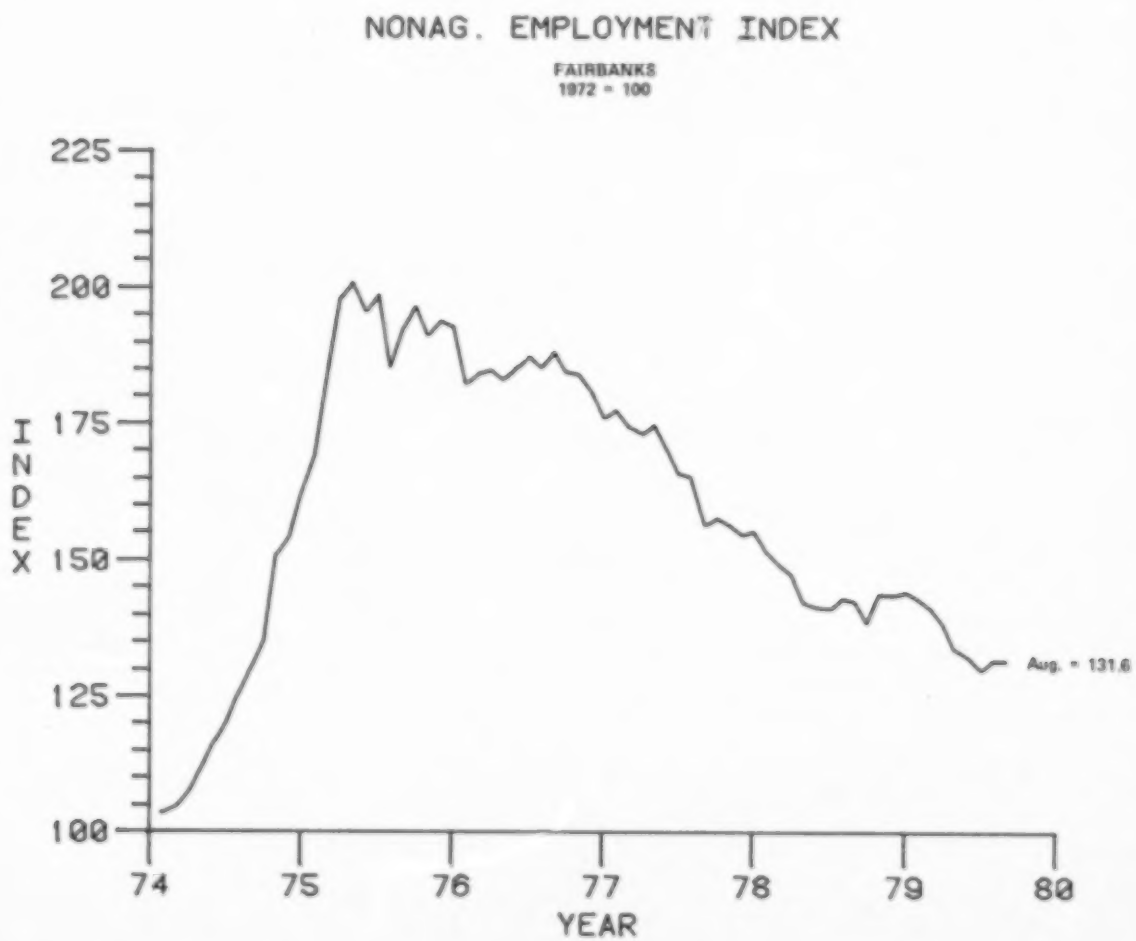
FAIRBANKS LABOR FORCE IN AUGUST

By Neal Fried

August was a month with few surprises. Employment remained relatively unchanged from the previous month. Even though there was no increase in employment, it is positive compared to last year, when the number of jobs began to decline in August. Though the nonagricultural employment index continues to be below last years levels, for the past two months it has been creeping upwards for the first time in 7 months. This should be watched closely for the next 4 to 6 months to see if it represents a more permanent trend.

The construction and service industries were the only industries which registered increases in August. Construction employment increased because public projects (and, to a limited degree, private projects) continued in full swing as they began the race with winter. Ground breaking also took place for the new $3.2 million public safety building and the $1.8 million youth correctional facility. Both projects will be completed during the next construction season. The service industry increase can only be attributed to a normally positive seasonal move in the economy.

Transportation and government employment dropped off this month. Transportation employment will probably continue to drop off through the winter months because of its seasonal character. Government employment will begin to increase next month, when the University and local schools re-open.



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

	8-79 p/	7-79 r/	8-78	Changes From: 7-79	Changes From: 8-78
Nonagricultural Wage & Salary.....	21,050	21,100	22,800	- 50	-1,750
Mining.....	50	50	50	0	0
Construction.....	2,100	2,000	2,400	100	-300
Manufacturing.....	650	650	600	0	50
Transp.-Comm. & Utilities.....	2,550	2,600	2,950	- 50	-400
Trucking & Warehousing.....	350	400	650	- 50	-300
Air Transportation.....	700	700	700	0	0
Other Transp.-Comm. & Utilities..	1,500	1,500	1,600	0	-100
Trade.....	3,850	3,900	4,300	- 50	-450
Wholesale Trade.....	700	750	800	- 50	-100
Retail Trade.....	3,150	3,150	3,500	0	-350
General Merchandise & Apparel..	350	350	450	50	- 50
Food Stores.....	500	500	550	50	0
Other Retail Trade.....	2,300	2,300	2,500	50	-150
Finance-Insurance & Real Estate....	800	800	1,000	0	-200
Services & Miscellaneous.....	3,950	3,900	4,550	50	-600
Government 2/.....	7,100	7,200	6,950	-100	150
Federal.....	2,550	2,650	2,550	-100	0
State.....	2,650	2,700	2,550	- 50	100
Local.....	1,900	1,850	1,850	50	50

1/ Data contained in this report covers the Fairbanks Election District area which includes the city of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Sisterville Gilmore, Tok Junction, Big Delta and the interconnecting highways.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN FAIRBANKS

State Unemployment Insurance Statistics

	8-79	7-79	8-78
TOTAL WEEKS CLAIMED	1,292	1,529	2,171
CLAIMANT SEX AND AGE			
Male Claimants	763	898	1,471
Less than 25	111	162	302
25 - 34	285	363	599
35 - 44	150	182	237
45 - 54	103	90	183
55 - 64	84	70	107
Over 65	17	8	7
Unknown	13	23	36
Female Claimants	529	631	700
Less than 25	117	155	179
25 - 34	191	232	298
35 - 44	114	132	115
45 - 54	65	63	54
55 - 64	25	34	25
Over 65	5	6	5
Unknown	12	9	24
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining	13	27	11
Contract Construction	369	486	1,040
Manufacturing	55	54	44
Transportation, Communications, Utilities	170	185	209
Trade	176	227	254
Finance, Insurance, Real Estate	33	62	63
Services	330	306	467
Other	143	150	19
Unknown	3	32	64
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial	202	203	214
Clerical, Sales	242	294	329
Service	177	216	257
Farming, Fishing, Forestry	5	4	11
Processing	9	5	4
Machine Trades	50	43	119
Bench Work	5	5	12
Structural Work	419	522	853
Miscellaneous	181	228	339
Unknown	2	9	33
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks	353	377	482
5 - 14 Weeks	295	305	601
15 Weeks & Over	115	216	388
Female Claimants			
1 - 4 Weeks	235	255	204
5 - 14 Weeks	183	242	321
15 Weeks & Over	111	134	175

Both transportation and government are the top contributors to the nonagricultural payroll in Fairbanks' economy. Government, the largest employer, was responsible for approximately 32.2 percent of the nonagricultural payroll in 1978 – the largest single contributor. This is a decline from 43.7 percent in 1970. Government as an employer and contributor to the payroll has steadily declined as other sectors of the economy have grown at a more rapid rate.

A local economy receives money from outside the area by exporting goods and services to other communities. The dollars received by the export industries are respent in the local area supporting other jobs. In Fairbanks, the federal sector does not only service the local population, but also exports its services to the Interior and the Northern regions and, to an extent, the rest of the U.S.; the most obvious export being the military presence. This also holds partially true for state government in Fairbanks, for example the University, which exports education.

The transportation industry is the second largest contributor to the total payroll (18.2 percent), despite the fact that it is only the fourth largest employer. This is because of the high wages paid in this industry. Fairbanks is no longer only the transportation hub of the north but has more recently become a refueling point for jets on their way to the Orient. Fairbanks is in fact exporting transportation to these areas. This role is very likely to increase as more oil fields in the north are developed and possibly as its role as a refueling point increases for international flights.

The construction industry's payroll came a close third (16.8 percent) to transportation, but was only the fifth largest employer. Construction has the highest average wages of all industries. Construction, to an extent, is also an export oriented industry as many of the construction projects in recent years were related to oil, which is destined for outside markets.

More than the export explanation can be given to why these 3 industries have a higher ratio of employment committed to these industries compared to the U.S. average. Another factor may be simply due to the development state the Fairbanks economy is in. All 3 of these industries are often proportionately larger in economies that are as young as Fairbanks and have grown as rapidly in a short time. The export factor is however extremely important to these industries. A community's economy unless self-sufficient cannot function unless it has something to export.

The trade and service industries are the largest employers in the private sector, but their total payrolls fall in fourth (13.8 percent) and fifth (12.7 percent) place respectively. Neither of these industries or any of the others with the exception of mining are export related. Their growth is dependent on the export related industries growth. Mining, once Fairbanks' major export industry, today is responsible for only a fraction of Fairbanks' employment and payroll.

INTERIOR ALASKA'S LABOR FORCE IN AUGUST

By Neal Fried

The seasonal downswing in nonagricultural wage and salary employment began in August in the Interior. It was the first time in 6 months employment has registered a decline (when Fairbanks is excluded). Almost all industry employment remained either at the previous month's levels or increased, except for government employment, which dropped because fewer firefighters were needed in August. The impact of this was large enough to cause an overall decline in employment in the Interior.

Like firefighting, another extremely seasonal industry in the Interior which provides employment is fishing. Even though a large number of the fishermen do not show up in our wage and salary employment statistics because they are self-employed, their importance to the Interior's economy cannot be overlooked. The location of the commerical fishing industry is most often thought of as occurring exclusively in the coastal communities of Alaska and not the Interior. This tends to dwarf the importance fishing has in providing a source of employment and income in the Interior, where both are scarce. It is the Interior's rivers and in particular the Yukon and its tributaries that support viable commercial fishing in this region. Subsistence fishing began to decline during the mid and late 1960's and, at the same time, commercial fishing in the Interior began to grow rapidly. By the mid-1970's both subsistence and commercial fishing began to stabilize. Commercial fishing has continued to grow slightly, but no large changes are expected to occur in the near future.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
INTERIOR

				Changes From:	
	8-79 p/	7-79 r/	8-78	7-79	8-78
Nonagricultural Wage & Salary.....	25,400	25,650	26,350	-250	-950
Mining.....	200	200	250	0	- 50
Construction.....	2,600	2,450	2,550	150	50
Manufacturing.....	700	700	600	0	100
Transp.-Comm. & Utilities.....	3,500	3,550	3,850	- 50	-350
Trade.....	4,250	4,250	4,650	0	-400
Finance-Insurance & Real Estate....	900	900	1,000	0	-100
Services & Miscellaneous.....	4,400	4,400	5,000	0	-600
Government 2/.....	8,850	9,200	8,450	-350	400

1/ Data contained in this report covers the Upper Yukon census division, the Yukon-Koyukuk census division, the Southeast Fairbanks census division and the Fairbanks census division.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

The major factor that caused the commercial fishing industry to increase rapidly was the exploitation of the chum (better known as "dog") salmon. Previous to the late 1960's chums were harvested primarily to feed dog teams in the Upper Yukon villages. The number of dog teams eventually began to decrease with the advent of the snowmachine. At the same time, the price of chum salmon continued to climb (from 9 cents per pound in 1970 to 36 cents per pound in 1978) as Alaskan salmon expanded further into the Japanese market. For example, in the Upper Yukon district 907 chums were taken commercially in 1970, opposed to 449,458 in 1978, according to an Alaska Department of Fish and Game report. The Upper Yukon district is almost entirely in the Interior region, with the exception of approximately 150 miles of the Yukon River south of Kaltag. The utilization of the salmon roe (38,033 pounds taken in the Upper Yukon district in 1978) which did not begin until the mid-1970's, also helped bring on this accelerated growth to the Interior fishery with the roe often being more valuable than the fish. The roe harvested in the Interior is often thought of as some of the highest quality salmon cavier found in the state, because the eggs have had a longer time to develop. The king and coho salmon are also important to this fishery.

This increase in the volume of fish taken over the years has also meant an increase in the number of fishermen, fish buyers, and land based and floating processors plying the rivers of the Interior. The number of processors and buying stations has approached 17 in the Upper Yukon district. They are found in Manley Hot Springs, Nulato, Kaltag, Galena, Nenana, Tanana and Fairbanks. A great number of these operations are small family operations, with some employing a work force as large as 20. The newest addition is the more than $1 million Sterling Salmon Inc. plant located in Tanana. According to one of the partners, the plant will be processing fresh/frozen salmon and roe, which will be sold in the U.S. market. Additional secondary processing such as smoking may be added later. The plant may employ 15–20 people.

Some of the fish caught in the Interior are flown elsewhere to be processed. This may occur less as the number of plants increases and existing plants expand their capacity. This growth will create more local employment.

Approximately 180 fishermen are involved in the fishery in the Upper Yukon district. The number of individuals involved in processing and other related activities is difficult to estimate. According to the Alaska Department of Fish and Game, the value of the catch to the fishermen and the wages earned in the entire Yukon district in 1978 was $6.4 million, more than 7 times the 1970 amount. Although this may appear to be a drop in the ocean when compared to other areas of the state it provides an irreplaceable indigenous livelihood to many in the Interior.

SOUTHEAST ALASKA'S LABOR FORCE IN AUGUST

By Jan McIlroy

Unemployment in Southeastern Alaska dropped to 4.9 percent in August. This was the lowest rate recorded in the region since the state's unemployment statistics became benchmarked to the Current Population Survey in 1975. The Southeastern labor market has nearly reached what most economist would agree is "full employment."

Employment in the logging and wood products industry remained strong with employees working longer hours and receiving more overtime pay. For example, the employees of Alaska Lumber and Pulp have been working a 7-day week schedule with 9 hour shifts to meet lumber shipping commitments. There are about 100 employees at the company's 2 Wrangell mills. Activity throughout the industry might have been stronger if it had not been for extremely dry weather. For a time, logging and other related operations were restricted to "Hoot Owl" shifts. This shift runs from early morning until noon, and then again in the early evening hours. For 3 hours after the noon shutdown, work areas are patrolled to guard against any delayed flare-ups.

Under the Alaska Native Land Claims Settlement Act, the Kake Tribal Corporation's area land selection has sold timber to ITT Rayonier. The Clear Creek Logging Co. has been subcontracted to do the cutting

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

				Changes From:	
	8-79 p/	7-79 r/	8-78	7-79	8-78
Nonagricultural Wage & Salary.....	29,250	28,050	27,350	1,200	1,900
Construction.....	1,500	1,400	1,200	100	300
Manufacturing.....	5,600	5,100	5,300	500	300
Transp.-Comm. & Utilities.....	2,650	2,500	2,500	150	150
Trade.....	4,000	3,800	3,700	200	300
Wholesale Trade.....	400	400	350	0	50
Retail Trade.....	3,600	3,400	3,350	200	250
Finance-Insurance & Real Estate....	1,100	1,150	1,050	-50	50
Mining, Services & Misc.	3,500	3,400	2,950	100	550
Government 2/.....	10,900	10,700	10,650	200	250
Federal.....	2,600	2,700	2,600	-100	0
State.....	4,600	4,500	4,450	100	150
Local.....	3,700	3,500	3,600	200	100

1/ Data in this report cover the following census divisions: Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway-Yakutat, and Wrangell-Petersburg.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

for them. As a product of privately owned land, the Native Corporation timber is not subject to Federal laws requiring primary processing in the United States. New skills, equipment and techniques are required in grading, sealing and handling logs for export. For the Asian trade, there are three "sorts" of timber. They are: Japanese, the highest grade of spruce and hemlock; Korean, the lesser grade; and "cull utility." The "cull utility" logs are going to be sold to ALP for pulp.

The fishing grounds have had good areas and slow areas. Because of the extreme low level of the coho run returning to the inside waters of northern Southeastern Alaska, commercial trolling along the outside coast between Cape Spencer and Cape Fairweather was closed in very early August. In Wrangell the salmon pack will top the 1978 season. The canneries in that area have been working 6-day weeks and 10 to 14 hours a day. In addition to salmon, the canneries in Wrangell will have 60,000 to 70,000 pounds of shrimp processed by the end of the year. With the season only half over, the Sitka Sound Seafood plant has had a record year in sable fish as 1 million pounds of black cod have been landed. In the Southeastern area as a whole, employment in fish processing was up a significant amount, as was employment in cold storage and related industries.

Tourism continued to have a positive impact on several industries. Transportation, retail trade, and services all experienced employment growth. Skagway's seasonal tourist economy has been strained somewhat due to fires. In June, the Sourdough Inn was burned to the ground. Fire struck again in August at the Packtrain, a historical complex of buildings in downtown Skagway. Fortunately the fire was controlled and the buildings were saved. The fires have had an impact on the community, and a group of businessmen has instituted a "fire watch."

In the government sector the U.S. Forest Service's Youth Conservation Corps (YCC) was in full operation throughout Southeastern. In Ketchikan 37 youths have been rotating among three camps at Craig, Hydaburg and 10 miles north of Thorne Bay. They work 6 hours a day with an additional 2 hours of "environmental awareness." Near Petersburg, 66 tons of trail, footbridge and cabin materials were airlifted to Forest Service construction sites. The YCC and the Young Adults Conservation Corp. will work on four projects to expand and upgrade the area's public cabins and trail system. The work will continue through the fall and completion is scheduled for next summer. In Juneau, clearing has been done on the Perseverance, Mt. Roberts and Sheep Creek trails. In Haines, the YCC has been constructing hiking trails in the Chilkat State Park.

HOURS AND EARNINGS IN AUGUST

By Sheila Lovelace

Increased employment in the statewide labor market created most of the fluctuation in average weekly hours and hourly earnings from July to August.

Food and kindred products experienced a 4 percent decline in average hourly earnings and an 8 percent decline in average weekly hours. The seafood processing sector weighed heavily in this decline. Hiring of new, lower paid employees to handle the heavy pink salmon catch in Southeast was a factor in the hourly earnings decrease. Low reported fishing effort in Bristol Bay, poor weather conditions around the Cook Inlet and Cordova areas, and late chum salmon runs being weak in the Gulf Coast area contributed to the decline in weekly hours.

Contract construction experienced an overall 1 percent increase in average hourly earnings and a 2 percent increase in average weekly hours. Commercial construction and the related special trades greatly influenced this rise. Hiring of additional people and increased overtime in commercial construction offset the decline in hours and earnings which occurred in residential construction. Highway construction maintained its high level of activity with little change in hours and earnings from July.

Mining's 4 percent decrease in hourly earnings was effected by both the metal mining and oil and natural gas sectors. The tapering off of the summer mining season was a factor in the earnings decrease in metal mining. A labor dispute in the oil industry had a dampening effect on earnings. An oil and natural gas company shut down all its rigs due to weather which further decreased average hourly earnings.

Hiring of new, lower paid employees had a decreasing impact on both wholesale and retail trade. Retail trade's 2 percent increase in average hourly earnings was mainly caused by pay increases and overtime among bottled gas dealers.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	AVERAGE HOURLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE WEEKLY EARNINGS		
	p/ 8/79	r/ 7/79	8/78	p/ 8/79	r/ 7/79	8/78	p/ 8/79	r/ 7/79	8/78
MINING	16.38	17.04	13.92	51.7	51.7	46.1	846.85	880.07	641.71
CONTRACT CONSTRUCTION	18.94	18.74	17.56	45.1	44.3	45.7	854.19	830.18	802.49
MANUFACTURING	8.70	8.78	8.37	42.0	44.4	46.2	365.40	389.83	386.69
Food & Kindred Products	6.56	6.82	6.63	41.8	45.6	47.8	274.21	310.99	316.91
Lumber & Paper Products	13.11	12.99	11.44	43.3	42.3	45.1	567.66	549.48	515.94
TRANSPORTATION,COMM. & UTILITIES.	12.68	12.99	11.44	37.5	38.1	42.0	475.50	494.92	480.48
TRADE	8.27	8.24	7.74	35.1	35.4	34.4	290.28	291.70	266.26
Wholesale Trade	9.53	9.80	8.85	38.7	39.1	39.0	368.81	383.18	345.15
Retail Trade	7.77	7.62	7.28	33.9	34.1	32.8	263.40	259.84	238.78
FINANCE,INSURANCE & REAL ESTATE..	--	--	--	--	--	--	248.85	259.41	235.28

1/ Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor

2/ excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	p/ 5/79	r/ 7/79	8/78	p/ 5/79	r/ 7/79	8/78	p/ 5/79	r/ 7/79	8/78	p/ 5/79	r/ 7/79	8/78
Alaska Statewide	194833	194974	192582	13198	14963	18222	6.8	7.7	9.5	181635	180011	174360
Anchorage-Matsu Region	94295	93699	94441	6132	6659	7875	6.5	7.1	8.3	88163	87040	86566
Anchorage	86910	86332	86902	5146	5610	6519	5.9	6.5	7.5	81764	80722	80283
Matanuska-Susitna	7385	7367	7639	986	1049	1356	13.4	14.2	17.8	6399	6318	6283
Gulf Coast Region	24954	24673	24655	1759	1885	2256	7.1	7.6	9.2	23196	22788	22389
Cordova	1332	1318	1294	67	75	73	5.0	5.7	5.6	1265	1243	1221
Kenai	11829	11657	11671	1105	1122	1320	9.3	9.6	11.3	10724	10535	10351
Kodiak	5507	5418	5350	250	254	276	4.5	4.7	5.2	5257	5164	5074
Seward	1701	1692	1719	112	131	186	6.6	7.7	10.8	1589	1561	1533
Valdez	4595	4588	4521	234	303	411	5.1	6.6	8.9	4361	4285	4210
Interior Region	25690	26610	27478	2361	2881	4449	9.2	10.8	16.2	23329	23729	23029
Fairbanks	20839	21629	22356	1885	2349	3645	9.0	10.9	16.3	18954	19280	18711
Southeast Fairbanks	1999	2030	2143	176	176	344	8.8	8.7	16.1	1823	1854	1799
Upper Yukon	620	639	671	82	92	140	13.2	14.4	20.9	538	547	531
Yukon-Koyukuk	2232	2312	2308	218	264	320	9.8	11.4	13.9	2014	2048	1988
Northern Region	8672	8539	7814	628	788	728	7.2	9.2	9.3	8044	7751	7086
Barrow-North Slope	2389	2340	2118	156	188	151	6.5	8.0	7.1	2233	2152	1967
Kobuk	2603	2579	2373	239	300	290	9.2	11.6	12.2	2364	2278	2083
Nome	3690	3621	3323	233	300	287	6.3	8.3	8.6	3447	3321	3036
Southeast Region	31066	30802	28475	1520	1930	2220	4.9	6.3	7.8	29546	28872	26255
Angoon	517	513	496	41	48	73	7.9	9.4	14.7	476	465	423
Haines	1070	1073	992	57	83	92	5.3	7.7	9.3	1013	990	900
Juneau	11147	11021	10211	529	644	776	4.7	5.8	7.6	10618	10377	9435
Ketchikan	6475	6412	5954	304	382	470	4.7	6.0	7.9	6171	6030	5484
Outer Ketchikan	1137	1118	1036	62	68	81	5.5	6.1	7.8	1075	1050	955
Prince of Wales	1731	1731	1583	95	122	120	4.9	7.0	7.6	1646	1609	1463
Sitka	4107	4090	3772	200	272	300	4.9	6.7	8.0	3907	3818	3472
Skagway	1611	1603	1478	94	121	130	5.8	7.5	8.8	1517	1482	1348
Wrangell-Petersburg	3271	3241	2953	148	190	178	4.5	5.9	6.0	3123	3051	2775
Southwest Region	10146	10651	9719	789	820	684	7.8	7.7	7.0	9357	9831	9035
Aleutian Islands	2568	2698	2462	122	128	100	4.8	4.7	4.1	2446	2570	2362
Bethel	3193	3373	3089	283	315	279	8.9	9.3	9.0	2910	3058	2810
Bristol Bay Borough	418	438	403	20	20	19	4.8	4.6	4.7	398	418	384
Bristol Bay	1359	1417	1296	86	80	67	6.3	5.6	5.2	1273	1337	1229
Kuskokwim	999	1052	924	140	149	94	14.0	14.2	10.2	859	903	830
Wade Hampton	1609	1673	1545	138	128	125	8.6	7.7	8.1	1471	1545	1420

p/=Preliminary r/=Revised 1978 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska'a CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

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ALASKA ECONOMIC TRENDS

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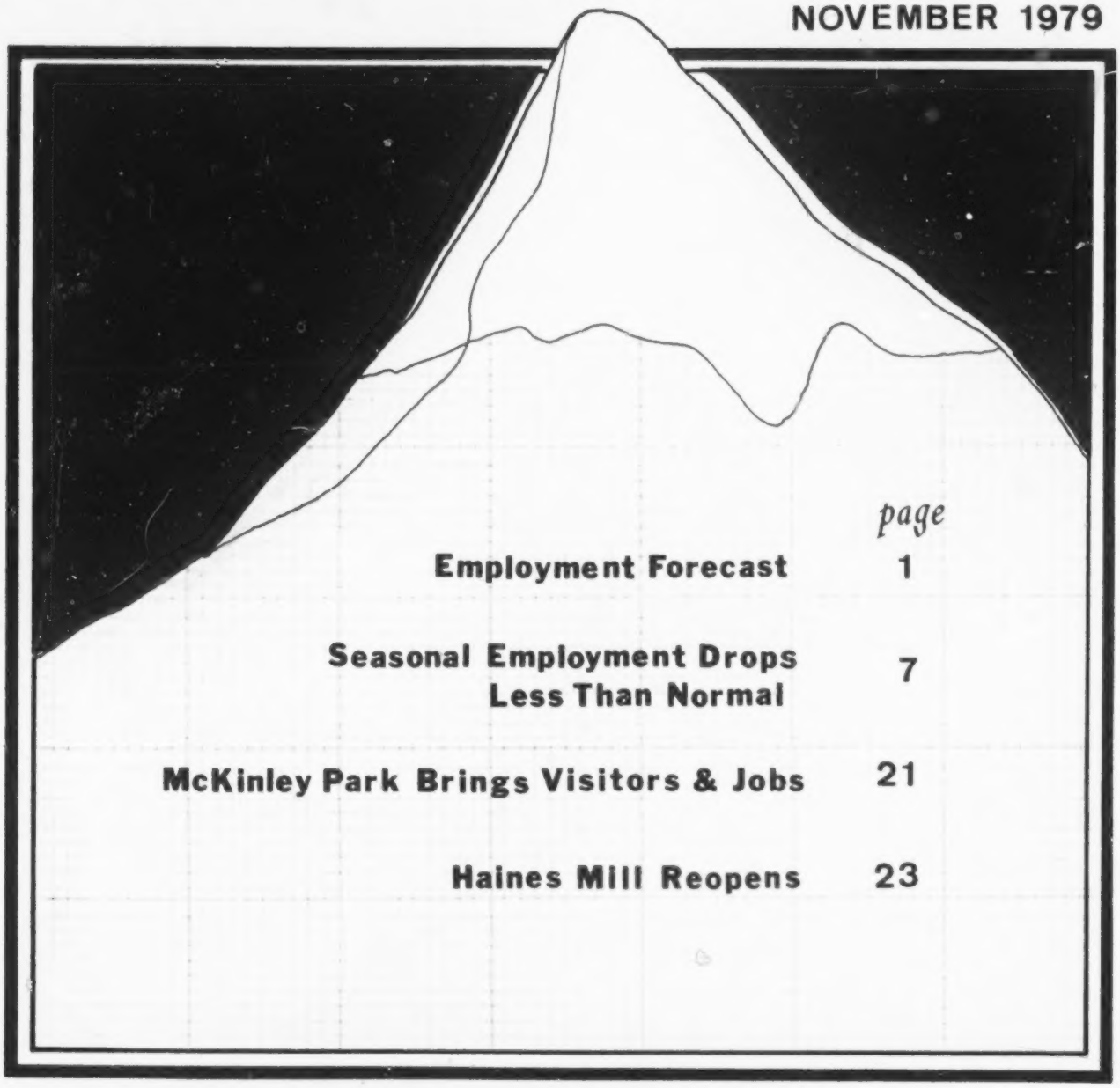

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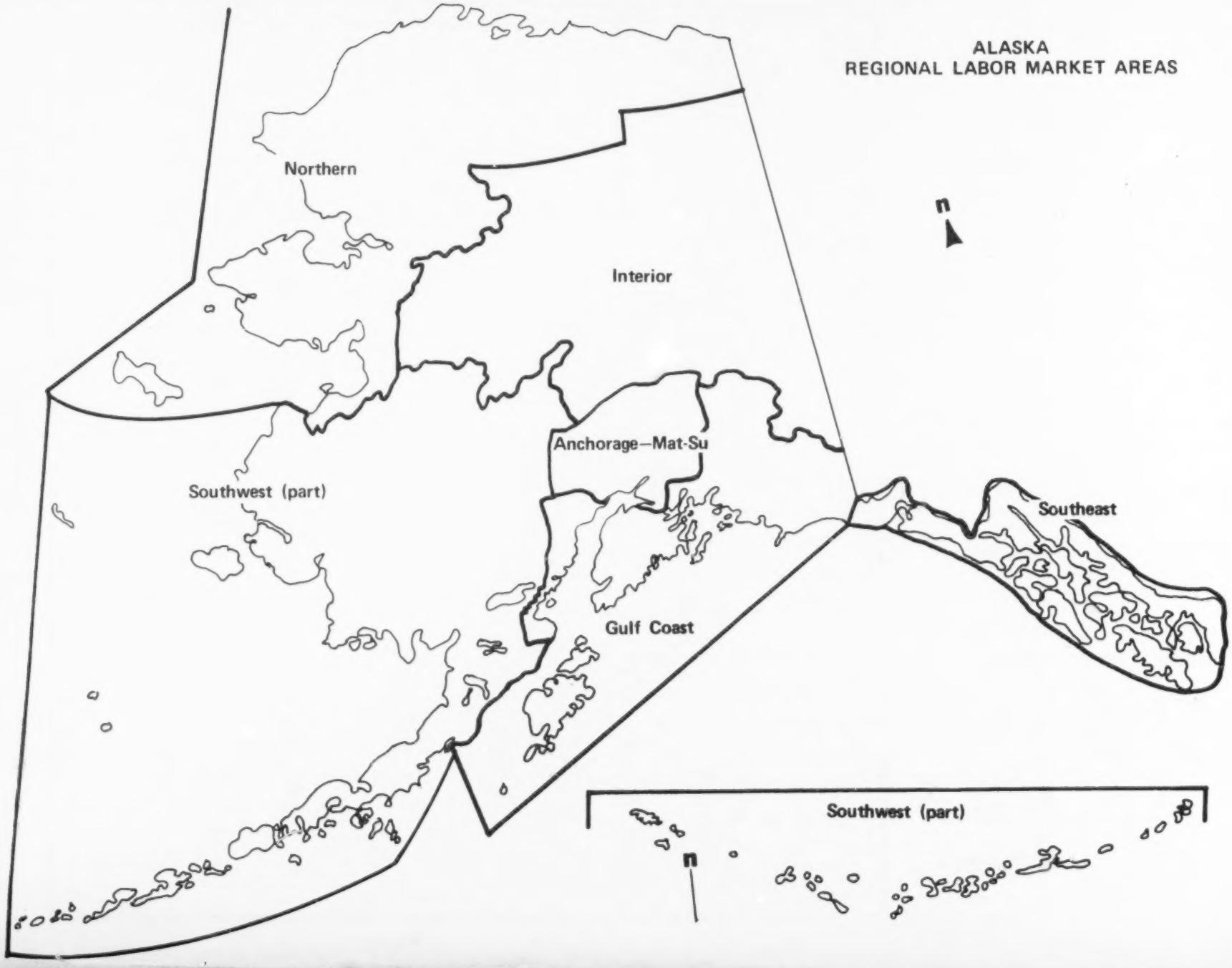
STATE OF ALASKA DEPARTMENT OF LABOR
RESEARCH AND ANALYSIS SECTION
JAY S. HAMMOND, GOVERNOR


ALASKA
REGIONAL LABOR MARKET AREAS
Northern
Interior
Anchorage—Mat-Su
Southwest (part)
Southeast
Gulf Coast
n
Southwest (part)
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ALASKA ECONOMIC TRENDS

Jay S. Hammond, Governor
State of Alaska

Edmund N. Orbeck, Commissioner
Department of Labor

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Research and Analysis

November 1979

Chris Miller, Editor

ALASKA EMPLOYMENT IN PERSPECTIVE WITH QUARTERLY FORECAST THROUGH 1981

By Lynn Pistoll, Barbara Baker and Rod Brown

There has been considerable attention directed toward the condition of Alaska's economy over the past few months. Many indicators point to a weakening economy, especially in the Anchorage area. Some of the more common news themes are: building permits down 50 percent; declining school enrollments reflect outmigration; inflation and interest rates are up; vacancy rates are up; and bankruptcy filings are increasing. We are not in a strong growth situation, but neither are we experiencing significant declines in employment.

Actual first quarter employment data for the state shows small increases over the first quarter of 1978. In terms of more current information, the Department of Labor's Current Employment Statistics (CES) sample for the first 9 months of 1979 is pointing to an insignificant decline in employment of about 1 percent this year as compared to the first 9 months of 1978. But this, as in any sample, is subject to sampling and non-sampling error and actual data may well prove to be slightly higher or lower than reflected in the CES statistics.

Our current set of forecasts reflects optimism in that we think actual data will show employment slightly higher. Our statewide total nonagricultural employment forecast calls for a 1.1 percent increase in employment over the 1978 average annual level. Anchorage employment is also expected to rise – a modest increase of 1.3 percent.

Why this optimism in view of conflicting evidence? Actual employment trends fail to reinforce indicators of an economic downturn (see Graphs 1 and 2). A four quarter moving average shows a leveling trend in employment – not a downturn. Declines in employment have leveled off and hopefully, bottomed out. Thus, if we were to sum up current economic conditions we would say that the state is going through a period of consolidation.

Declines in building permit authorizations, high vacancy rates, and rising interest rates are all consonant with lower levels of employment in the construction industry. So far, it appears that the drop in construction employment has not led to any significant secondary declines in other industries.

Increases in bankruptcy filings present a poor measure of economic performance. The absolute number of such cases are relatively low and often include personal bankruptcies. In view of this and shortcomings of other qualitative economic measures we have placed more emphasis on actual employment trends.

In sum, the slower pace of activity in the state is a reflection of not only current economic conditions but is also affected by expectations. The view of the future is mixed. The gas line construction project start date is questionable but other capital construction projects are certain to be pursued more vigorously over the next year. Government remains a large and growing sector of the economy and is certainly a stabilizing influence. Mining; manufacturing; retail trade; and finance, insurance and real estate also remain strong. Current conditions do not justify a negative outlook but we are no longer in a rapid growth era.

FORECAST

Construction: The construction industry has experienced the greatest employment declines in the Alaska economy (see Table 1). This quarter's forecast continues to show an expected employment level of approximately 10,000 jobs for 1979. However, as was also our view last quarter, notable improvement is expected next year. Placing things in perspective, construction employment levels statewide and in Anchorage still exceed pre-pipeline levels.

The outlook for the construction industry is good. We do not expect any kind of a "boom" over our forecast period but 1980 and 1981 will be strong growth years. Capital projects that have been delayed will be pursued more strongly and will augment other planned projects.

On the other hand, general building construction will likely remain weak over the short run, especially in Anchorage. High vacancy rates means little demand for the creation of additional housing units. Likewise, costs of new construction has soared as inflation continues at double digit rates.

Petroleum: In September, Alaska's average daily production of oil was 1.405 million barrels per day, classifying it as the second largest oil producing state in the union. Because of rapid increases in the well head price of oil, forecasts of state royalty payments have increased considerably. In fiscal year 1980, for example, the Alaska petroleum industry will contribute an estimated $1,232.9 million to state coffers.

Needless to say, the states oil industry is the largest single contributor to the Alaska economy. Although drilling permits, operating rigs, and employment are temporarily down, the next several years should give rise to a host of new oil related projects.

Oil companies in Prudhoe Bay are planning to spend as much as $15 billion on field development. The work will entail drilling more wells, installing facilities for injecting water into the reservoir to maintain pressure, and increasing the flow of oil through the trans-Alaska Oil Pipeline. These steps will be necessary to maintain peak oil production at around 1.5 million barrels per day from next year to the late 1980's.

Beaufort Sea development looks extremely promising for the oil industry. A lease sale scheduled for December of this year will open up 514,200 acres for exploration. The Beaufort Sea is believed to contain some of the richest oil and gas reservoirs in North America. Exploration wells drilled by companies in preparation for the lease sale have confirmed the presence of oil and geological similarity to the Prudhoe Bay field. Also, some of the leases to be offered beyond the string of Barrier Islands are believed to cover a geological trend extending into Canadian waters, where Dome Petroleum recently made a significant find 100 miles north of Tuktoyaktuk in Mackenzie Bay.

The federal five year oil and gas leasing program, which is designed to increase the production of U.S. domestic crude, will have a considerable influence on the states economy. The stepped up program proposes nine lease sale areas in Alaska from 1980 to 1985:

No. 55	Gulf of Alaska	Oct. 1980
No. 46	Kodiak	Dec. 1980
No. 60	Cook Inlet	Sep. 1981
No. 57	Norton Basin	Sep. 1982
No. 70	St. George Basin	Dec. 1982
No. 71	Beaufort Sea	Feb. 1983
No. 75	North Aleutian Shelf	Oct. 1983
No. 83	Navarin Basin	Dec. 1984
No. 85	Chukchi Sea	Feb. 1985

It is likely that political and economic circumstances will cause revisions in this schedule. However, the message is clear that a major effort will be geared to Alaska for producing domestic oil supplies necessary for fueling the lower 48.

MANUFACTURING

Fisheries: As the major component of manufacturing, the continued growth of seafood processing will provide a steady increase in employment through our forecast period. Record harvests of salmon were taken in Bristol Bay, Alaska Peninsula and the Gulf of Alaska. According to the Alaska Department of Fish and Game this trend will continue through 1980. Commercial harvests of herring, halibut, and king crab also reached their quotas swiftly. Despite quota reductions established to protect declining stocks in Kodiak and Dutch Harbor over 100 million pounds of king crab were harvested.

A growing component of seafood processing has been bottomfish species. In the first 9 months of 1979 over twice as many metric tons (mt.) were harvested as compared to the same time period in 1978, 5,931 mt. and 1,633 mt. respectively. Although this represents a substantial increase in effort, only 8 percent of the total domestic allowable catch has been harvested. Harvesting priorities of Alaska fishermen have been aimed at higher value species.

Forest Products: The forest products industry has been prospering from good markets in both pulp and lumber. Native village corporations are increasing their involvement now that lands are being conveyed from the Alaska Native Land Claims Settlement. Presently three village corporations are involved in logging and exporting round logs, Kake Tribal Corp., Cape Fox, and most recently Kavilco. Although no specific development plans have been released by Sealaska, the recent conveyance of 158,183 acres of harvestable timber and the hiring of a new president, Michael Chittick, (former director of the Wood

Products Division of I.T.T. - Rayonier) indicates that some major activity will be slated for forest products production perhaps in the next year.

FORECAST SUMMARY

If one considers the 23,300 military personnel as a viable component of the labor force, then 40 percent of all employment in Alaska is government related. This has been a significant factor in retarding post-pipeline declines in employment and will continue as a significant factor in moving employment ahead in the future.

For 1979, the forecast is for a 1.1 percent increase in total nonagricultural wage and salary employment for the state. Declines in employment will be likely in construction – 18.2 percent, transportation – 1.5 percent, wholesale trade – 2.9 percent, and federal government –0.6 percent. These declines will largely be offset by growth in retail trade, up 3.5 percent, services up 4.1 percent, and state and local government up 5.8 percent. Employment is expected to increase 3.9 percent in 1980 and 4.2 percent in 1981 exhibiting growth in all industries.

Six months ago we forecasted a 2.2 percent decline in employment in Anchorage for 1979 and in September the State Department of Commerce and Economic Development forecasted a 3.5 percent decline for the city in 1979. In light of new employment data we have revised our Anchorage forecast to show an employment increase of 1.3 percent for 1979. Although several industries will be declining in Anchorage, government, services and retail trade, the largest industries in Anchorage, will be showing increases. Anchorage construction, mining, transportation and wholesale trade will show declines in 1979 dropping 14.7, 1.4, 0.9 and 2.5 percent respectively.

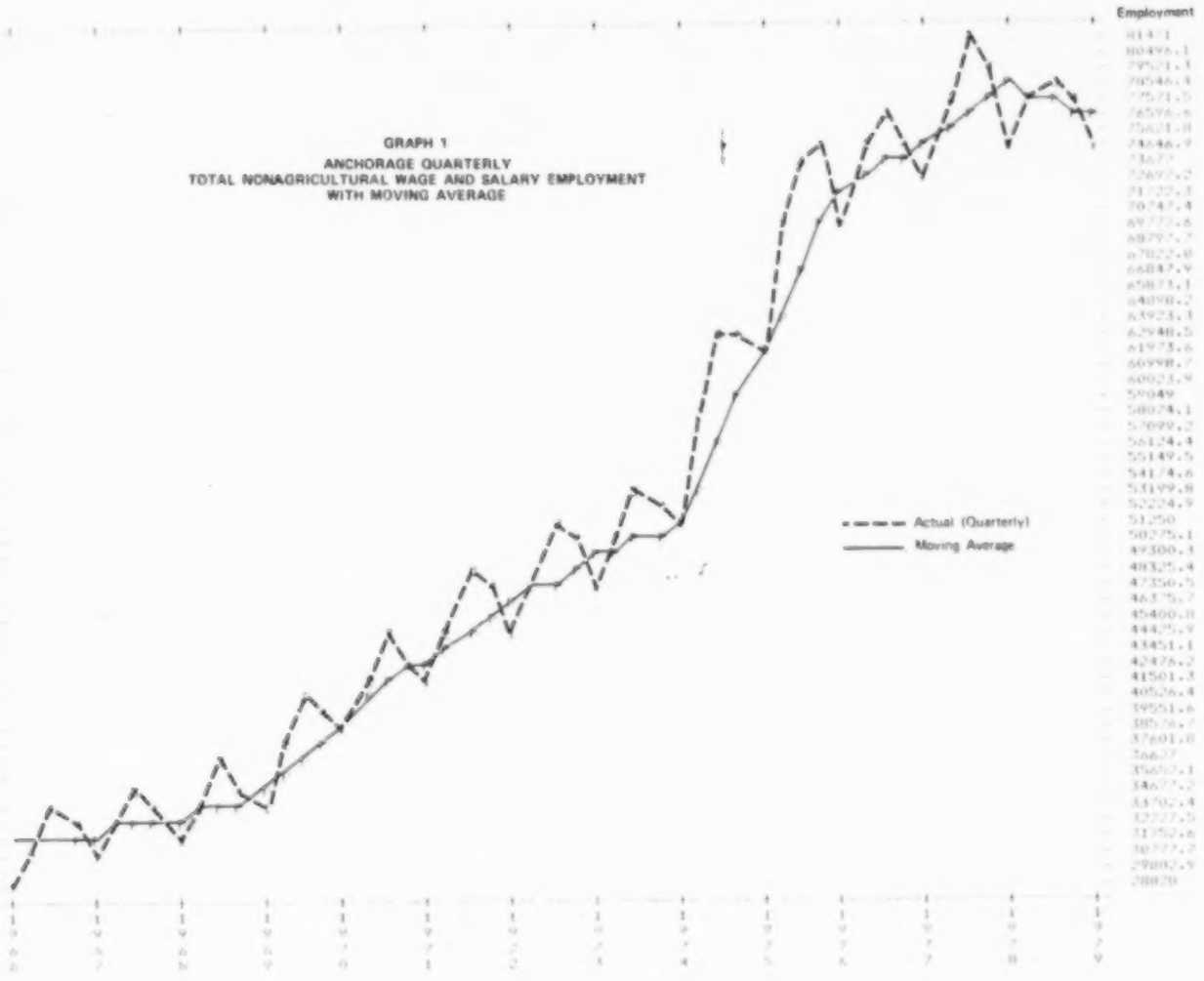
TABLE I

CHANGE IN INDUSTRY EMPLOYMENT
1976-1979 QTR 1

	Statewide Percent Change			Anchorage Percent Change		
	1976 to 1977	1977 to 1978	1978-QTR 1 to 1979-QTR 1	1976 to 1977	1977 to 1978	1978-QTR 1 to 1979-QTR 1
Total Nonag. Employment	-4.42	-.49	1.38	5.59	-1.20	.78
Mining	25.07	12.18	4.87	25.69	5.82	-4.71
Construction	-35.35	-36.38	-27.04	2.74	-17.50	-19.95
Manufacturing	4.98	6.92	-11.14	3.56	-.24	- 3.93
Trans/Comm/Utilities	- .55	5.14	.66	2.78	4.40	1.04
Transportation	-3.69	3.27	- 3.09	4.22	7.51	-.31
Communication	6.40	9.31	7.91	-2.34	-3.31	4.55
Utilities	7.99	8.40	8.84	4.75	-2.69	4.77
Trade	3.23	1.39	3.68	3.88	1.74	2.88
Wholesale	-3.25	-3.03	-4.38	-1.72	.72	-3.43
Retail	5.06	2.55	5.74	5.91	2.08	4.96
Finance/Ins./Real Estate	9.46	5.84	-4.13	11.53	5.71	1.64
Services	- .69	.53	6.80	4.90	-4.16	1.65
Civilian Government	1.90	7.22	6.04	6.28	- .22	4.15
Federal	-1.17	2.64	.09	2.51	-2.11	- .40
State	-1.86	3.51	5.84	8.72	4.62	8.67
Local	8.74	14.98	11.26	10.78	- .53	7.59

GRAPH 1

ANCHORAGE QUARTERLY
TOTAL NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
WITH MOVING AVERAGE



GRAPH 2

STATEWIDE QUARTERLY
TOTAL NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
WITH MOVING AVERAGE

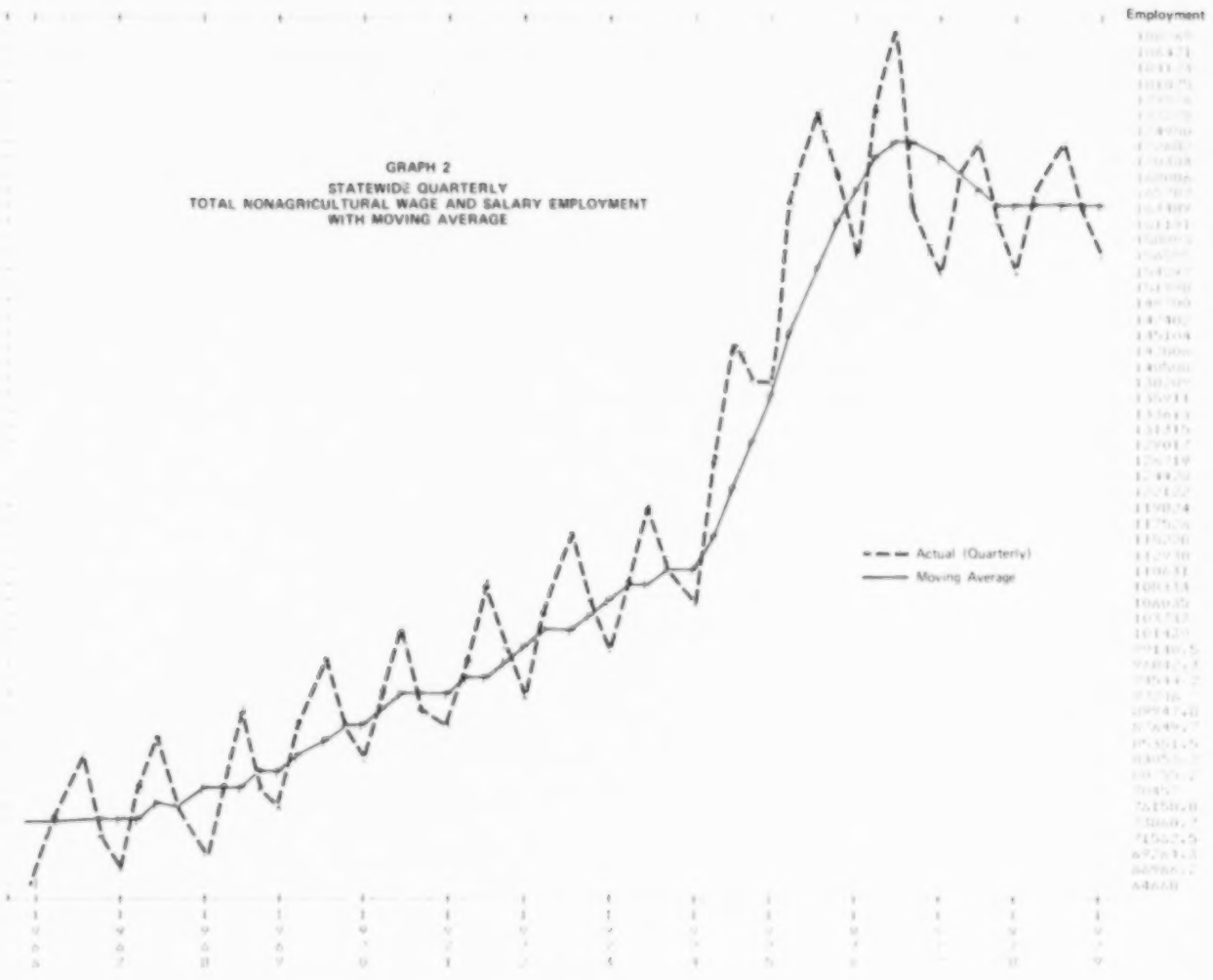
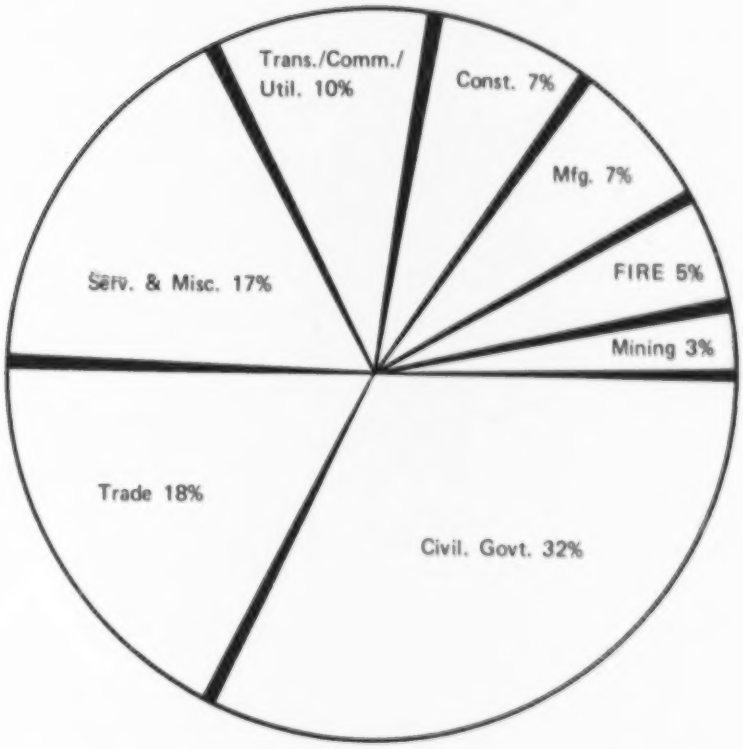


FIGURE 3

INDUSTRY COMPOSITION OF ALASKA EMPLOYMENT
1978



ALASKA LABOR FORCE IN SEPTEMBER

By Sally Saddler

Wage and salary employment did not undergo the traditional seasonal decline during September. Compared to the normal seasonal drop of 3 percent, September's decline of 1,400 jobs (less than 1 percent) indicates a seasonal improvement in employment from August. Much of the improvement can be attributed to the decline in the size of the construction industry. Construction's proportionate share of total wage and salary employment is at an all time low this year. Construction jobs comprised as much as 20 percent of total employment during the pipeline but now accounts for only 7.4 percent of the total. The drop in the number of these very seasonal jobs means that the seasonal drop in construction employment has less impact on total employment.

Vacancy rates in Anchorage hover around 25 percent. Statewide housing starts for the first 3 quarters of 1979 were 46 percent lower than the comparable period during 1978. These facts help explain the restriction in general housing construction employment, which is proportionately half of what it was during 1976.

Heavy construction employment was one-third of overall construction-related employment this month, compared to two-thirds of the construction work force in 1976. In spite of its diminished share of the total, heavy construction was the only area in construction that did not record a decrease in the number of jobs from last September.

Recently completed construction projects contributed to the seasonal decline in employment. The main features of the Chena River flood control project were completed this month. Elsewhere in the state, the Tyonek Village Housing Project, which began last October, was completed. Funded by HUD, the 27 unit project totaled $2.25 million. Employment was bolstered in several industries and native hire accounted for 43 percent of the project's employment including many on the job training positions.

In the fish processing sector of the manufacturing industry, employment declined by approximately 3,500 jobs. This drop was seasonal. Although statewide record breaking salmon catches are over, processing employment is 600 jobs above last year. Contributing to processing employment in September were strong king crab harvests. Fishermen, undaunted by a week delay due to a price-per-pound dispute and a lower-than-desired settlement, reported such heavy catches as to generate talk of closure in early October. This year's king crab harvest in the southeast Bering Sea district is already at record levels and above the guideline harvest range established by the Alaska Board of Fisheries. Fish and Game biologists estimate the harvest will exceed the 60–110 million pound guideline by as much as 40 million pounds. Activity in halibut processing was dormant during the month. Exceptional catches in July forced an earlier closing this year. Preliminary catch figures indicate the commercial halibut catch by U.S. vessels in Alaska waters was up 12 percent from last year.

Employment related to the processing and manufacture of lumber and paper products expanded by approximately 100 workers at a time when a slight seasonal decline is expected. The contract to harvest timber in the Haines valley was completed and the Schnabel Lumber Mill opened for business with roughly 45 workers. Dry weather restrictions in southeast were rescinded in September which also contributed to a regional increase of over 75 workers. Round log (instead of cant) export occurred this year for the first time with favorable effects on employment. Round log export requires additional personnel for grading, sorting and sizing of logs.

Elsewhere in manufacturing, Collier Chemical of Kenai (which employes approximately 300 people in the chemical production of ammonia and urea) laid off nearly 100 employees this month. The reason was a process called "turnaround" which is an annual procedure involving plant maintenance and cleanup. Employees are expected to return to regular shifts within 4 weeks.

Employment in all sectors of mining dropped in September. Employment in coal, and hardrock mining showed a normal seasonal decline while oil and gas exploration was restricted by the continuation of the August walkout by the

CHARACTERISTICS OF THE INSURED UNEMPLOYED
STATEWIDE

State Unemployment Insurance Statistics

	9-79	8-79	9-78
TOTAL WEEKS CLAIMED	7,314	8,230	9,167
CLAIMANT SEX AND AGE			
Male Claimants	4,230	4,460	5,724
Less than 25	785	800	1,026
25 - 34	1,674	1,686	2,146
35 - 44	749	826	989
45 - 54	526	550	709
55 - 64	327	406	451
Over 65	70	62	92
Unknown	99	130	311
Female Claimants	3,084	3,770	3,443
Less than 25	704	783	798
25 - 34	1,210	1,380	1,295
35 - 44	556	775	589
45 - 54	360	502	359
55 - 64	176	222	189
Over 65	17	25	24
Unknown	61	83	189
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining	275	285	212
Contract Construction	1,423	1,606	2,832
Manufacturing	693	477	656
Transportation, Communications, Utilities	612	789	866
Trade	1,268	1,363	1,370
Finance, Insurance, Real Estate	368	410	493
Services	1,799	2,489	2,020
Other	746	789	352
Unknown	130	22	366
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial	1,121	1,354	1,111
Clerical, Sales	1,618	1,768	1,766
Service	961	1,247	1,092
Farming, Fishing, Forestry	66	47	80
Processing	339	162	210
Machine Trades	292	285	483
Bench Work	54	54	53
Structural Work	2,110	2,273	2,979
Miscellaneous	712	1,002	1,178
Unknown	41	38	215
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks	2,381	2,498	2,486
5 - 14 Weeks	1,261	1,307	2,065
15 Weeks & Over	588	655	1,173
Female Claimants			
1 - 4 Weeks	1,640	2,051	1,145
5 - 14 Weeks	978	1,255	1,474
15 Weeks & Over	466	464	824

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

	p/ 9-79	r/ 8-79	9-78	Changes From: 8-79	9-78
Nonagricultural Wage & Salary	172,000	173,400	173,300	-1,400	-1,300
Mining	5,200	5,400	5,700	-200	-500
Construction	12,600	12,800	14,800	-200	-2,200
Manufacturing	14,300	17,700	13,900	-3,400	400
Food & Kindred Products	8,400	11,900	7,800	-3,500	600
Lumber & Paper Products	3,600	3,500	3,500	100	100
All Other Manufacturing	2,300	2,300	2,600	0	-300
Transp.-Comm. & Utilities	17,800	17,600	17,500	200	300
Trucking & Warehousing	2,300	2,300	2,800	0	-500
Water Transportation	1,600	1,600	1,300	0	300
Air Transportation	5,100	5,100	4,800	0	300
Other Transp.-Comm. & Utilities	8,800	8,600	8,600	200	200
Trade	29,400	29,600	30,100	-200	-700
Wholesale Trade	5,700	5,900	5,800	-200	-100
Retail Trade	23,700	23,700	24,300	0	-600
General Merchandise & Apparel	4,000	4,000	4,400	0	-400
Food Stores	3,400	3,400	3,600	0	-200
Eating & Drinking Places	8,400	8,500	8,000	-100	400
Other Retail Trade	7,900	7,800	8,300	100	-400
Finance-Insurance & Real Estate	7,700	7,900	8,000	-200	-300
Services & Miscellaneous	29,900	30,800	29,000	-900	900
Government 2/	55,100	51,600	54,300	3,500	800
Federal	18,600	18,800	18,600	-200	0
State	14,900	14,800	14,400	100	500
Local	21,600	18,000	21,300	3,600	300

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Roughneck and Drillers union. The walkout resulted in a suspension of drilling activity on 6 land rigs. Total monthly drilling activity consisted of 5 land rigs on the North Slope, 2 offshore exploratory wells in Lower Cook Inlet and 2 development wells in Upper Cook Inlet. This total of 9 wells represents a significant drop from the 15 underway last month and the 14 wells which were underway last September.

The monthly decline in mining employment may also be indicative of a lull before the joint federal and state Beaufort Sea lease sale scheduled for December 11. Alaskan oil presently accounts for 16.4 percent of the nation's domestic oil production. In September, Alaska surpassed Lousiana to become the second largest (behind Texas) oil producing state. It is hard to believe that this month's decline will become a trend. The combination of the upcoming lease sale and a possible land settlement could boost employment.

In the government sector, the seasonal layoff of park and forest service personnel was more than offset by gains in local government employment. Although the new school year was off to a shaky start because of a contract dispute involving the Anchorage municipal school district and local administrators. The dispute was settled during the middle of the month and employment in local government (primarily school related) grew by 3,600 workers.

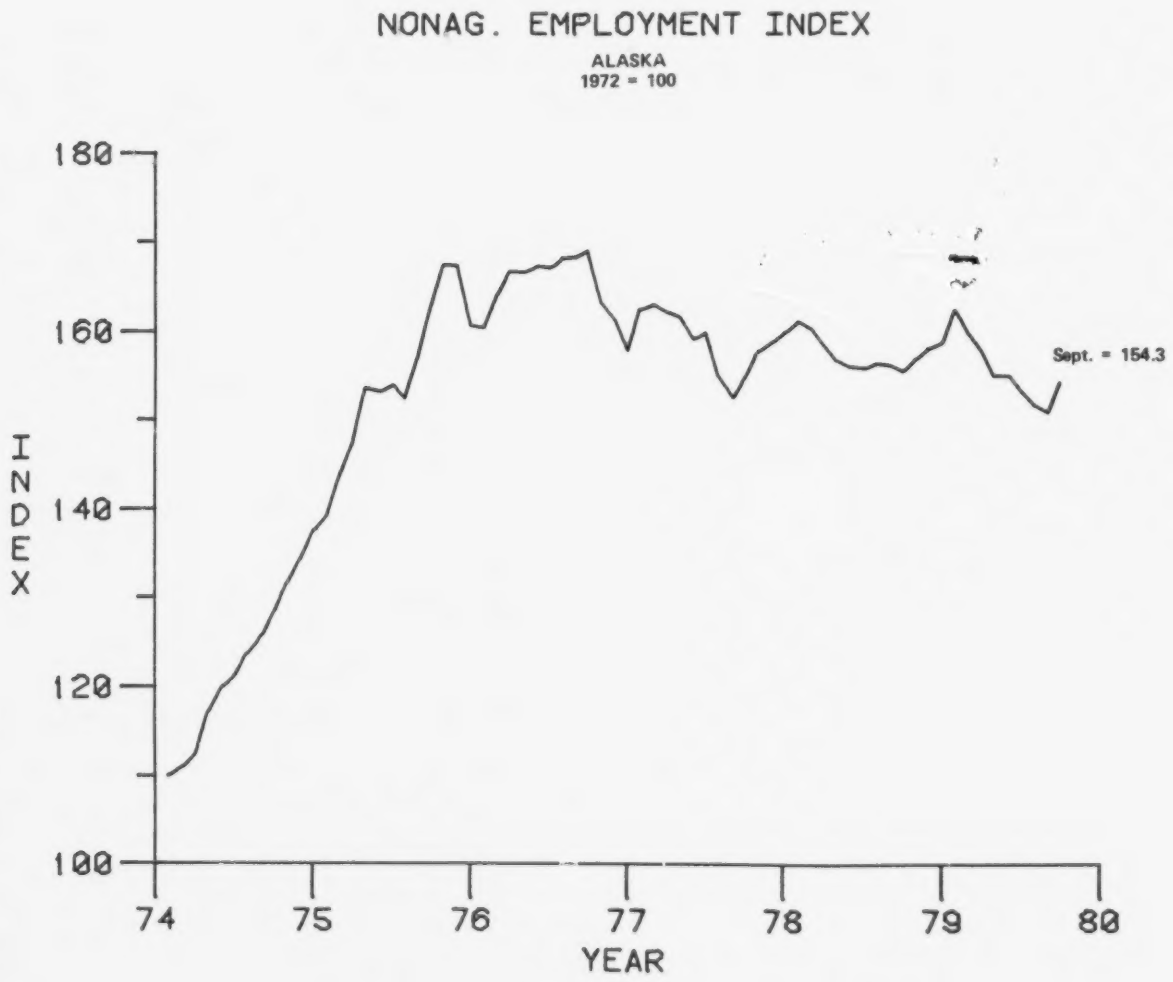


TABLE II

STATEWIDE
November, 1979

LABMOD PROJECTIONS TO 1981
POPULATION, WAGES AND SALARIES & EMPLOYMENT

	1979					1980					1981				
	Qtr 1*	Qtr 2	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave
Population (July 1) 1/		409,607					419,155					429,509			
Total Nonag. Wages & Salaries ($1,000's)	776,437	879,795	951,075	932,098	888,908	891,372	989,950	1,067,950	1,043,950	998,214	996,913	1,115,650	1,199,450	1,181,220	1,123,310
Average Quarterly Earnings	4,987	5,292	5,509	5,610	5,375	5,510	5,719	5,944	6,053	5,807	5,961	6,179	6,412	6,529	6,270
Total Nonag. Wage & Salary Employment	155,698	166,256	172,647	166,156	165,189	161,772	173,092	179,597	172,461	171,731	167,228	180,566	187,073	180,925	178,948
Mining	5,642	5,668	5,702	5,445	5,614	5,964	6,321	6,686	6,394	6,341	6,511	7,400	7,563	7,276	7,188
Construction	7,461	9,402	12,740	10,453	10,014	8,690	11,586	14,253	11,254	11,446	9,720	13,120	15,787	12,786	12,853
Manufacturing	7,800	12,298	15,252	11,060	11,603	9,779	12,902	15,818	11,680	12,545	10,411	13,531	16,412	12,324	13,170
Transp./Comm./Utilities	15,609	16,665	17,598	16,393	16,566	15,992	17,114	18,107	16,987	17,050	16,286	17,663	18,810	17,397	17,539
Transportation	10,016	10,866	11,626	10,535	10,761	10,128	11,043	11,853	10,844	10,967	10,333	11,498	12,430	11,149	11,353
Communications	4,214	4,384	4,454	4,349	4,350	4,424	4,593	4,669	4,567	4,563	4,447	4,621	4,728	4,606	4,601
Public Utilities	1,379	1,415	1,518	1,509	1,455	1,440	1,478	1,585	1,576	1,520	1,506	1,544	1,652	1,642	1,586
Trade	28,168	29,213	30,635	29,938	29,489	29,025	30,166	31,374	30,574	30,285	29,669	31,105	32,374	31,600	31,187
Wholesale	5,289	5,569	5,842	5,520	5,555	5,381	5,660	6,007	5,599	5,662	5,451	5,738	6,145	5,638	5,748
Retail	22,879	23,644	24,793	24,418	23,934	23,644	24,506	25,367	24,975	24,623	24,218	25,367	26,229	25,942	25,439
Finance/Insurance/Real Estate	8,093	8,441	8,738	8,603	8,469	8,590	8,657	8,859	9,001	8,777	8,814	9,372	9,715	9,883	9,446
Services	27,558	28,783	30,440	28,085	28,717	27,744	29,357	31,040	28,664	29,201	28,403	29,977	31,690	30,291	30,090
Government (Civilian)	54,885	55,162	50,688	55,769	54,126	55,483	56,407	52,648	57,538	55,519	56,951	57,857	53,950	59,040	56,950
Federal	17,516	18,080	18,556	17,938	18,022	17,651	18,169	18,644	18,026	18,123	17,740	18,257	18,732	18,114	18,211
State	14,651	15,131	15,185	15,459	15,107	15,146	15,626	15,681	15,954	15,602	15,641	16,121	16,176	16,449	16,097
Local	22,718	21,951	16,947	22,372	20,997	22,686	22,612	18,323	23,558	21,795	23,570	23,479	19,042	24,476	22,642
Miscellaneous	482	624	854	410	592	504	582	813	369	567	463	541	771	328	526

1/ Employment based population estimates.
* Actual employment data.

ANCHORAGE
November, 1979

LABMOD PROJECTIONS TO 1981
POPULATION, WAGES AND SALARIES & EMPLOYMENT

	1979					1980					1981				
	Qtr 1*	Qtr 2	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave
Population (July 1) 1/		196,063					200,969					207,775			
Total Nonag. Wages & Salaries ($1,000's)	377,313	414,977	440,998	437,460	419,338	419,230	459,952	489,688	487,873	464,186	467,852	516,257	552,351	544,842	520,326
Average Quarterly Earnings	5,124	5,300	5,495	5,577	5,374	5,496	5,689	5,899	5,994	5,769	5,924	6,129	6,349	6,453	6,214
Total Nonag. Wage & Salary Employment	74,919	78,294	80,248	78,446	77,977	76,285	80,848	83,007	81,398	80,385	78,969	84,233	86,994	84,428	83,656
Mining	1,840	1,870	1,882	1,797	1,847	1,968	2,086	2,206	2,110	2,093	2,149	2,442	2,496	2,401	2,372
Construction	4,471	5,275	6,621	5,583	5,488	4,589	5,959	7,391	6,380	6,080	5,312	6,671	8,086	6,941	6,753
Manufacturing	1,393	1,822	2,398	1,769	1,846	1,571	1,912	2,277	1,835	1,899	1,637	2,005	2,363	1,934	1,985
Transp./Comm./Utilities	7,587	8,015	8,573	7,832	8,002	7,553	8,156	8,713	8,045	8,117	7,699	8,461	9,071	8,266	8,374
Transportation	5,432	5,771	6,174	5,595	5,743	5,379	5,865	6,295	5,759	5,825	5,488	6,106	6,601	5,921	6,029
Communications	1,584	1,644	1,765	1,628	1,655	1,591	1,674	1,758	1,652	1,669	1,602	1,707	1,785	1,685	1,695
Public Utilities	571	603	634	609	604	583	617	660	634	624	609	648	685	660	651
Trade	16,936	17,356	17,758	17,589	17,410	17,340	17,886	18,410	18,376	18,003	18,168	19,051	19,767	19,327	19,078
Wholesale	3,946	4,087	4,287	4,051	4,093	3,949	4,153	4,337	4,109	4,137	4,000	4,211	4,423	4,151	4,196
Retail	12,990	13,269	13,471	13,538	13,317	13,391	13,733	14,073	14,267	13,866	14,168	14,840	15,344	15,176	14,882
Finance/Insurance/Real Estate	4,900	5,070	5,232	5,151	5,088	4,990	5,241	5,393	5,260	5,221	5,158	5,374	5,635	5,548	5,429
Services	15,288	15,816	16,447	16,069	15,905	15,439	16,264	16,826	16,448	16,244	15,735	16,607	17,331	16,781	16,614
Government (Civilian)	22,083	22,525	20,591	22,298	21,874	22,395	22,836	21,081	22,622	22,234	22,707	23,150	21,571	22,944	22,593
Federal	9,672	9,951	10,139	9,851	9,903	9,746	10,024	10,214	9,926	9,978	9,821	10,100	10,288	10,000	10,052
State	4,725	4,798	4,874	4,925	4,831	4,807	4,880	4,956	5,007	4,913	4,889	4,962	5,038	5,089	4,995
Local	7,686	7,776	5,578	7,522	7,141	7,842	7,932	5,911	7,689	7,344	7,997	8,088	6,245	7,855	7,546
Miscellaneous	421	545	746	358	517	440	508	710	322	495	404	472	674	286	459

1/ Employment based population estimates.
* Actual employment data.

ANCHORAGE LABOR FORCE IN SEPTEMBER

By Cal Dauel

The unemployment rate continued to drop in September. This is the lowest it will be this year. The rate was at its highest in February when it was 8.8 and now rests at 5.5 percent. This seasonal low in the rate is a result of the decline in the number of unemployed and not from any increase in employment. As a matter of fact, employment peaked in June this year rather than in September which is the norm. This is an unusual turn of events. Employment has been falling at a time of the year when there should be seasonal gains. However, increased unemployment has not been a result. The unemployed are leaving the labor force rather than gaining employment.

Beginning in October employment will show a seasonal decline. Unemployment will certainly rise but further underlying changes in the economy will be masked. Other data series will enable us to monitor the underlying strength of the economy.

CHARACTERISTICS OF THE INSURED UNEMPLOYED
IN ANCHORAGE

State Unemployment Insurance Statistics

	9-79	8-79	9-78
TOTAL WEEKS CLAIMED	2,567	3,053	2,968
CLAIMANT SEX AND AGE			
Male Claimants	1,510	1,661	1,839
Less than 25	314	370	341
25 - 34	601	651	688
35 - 44	273	298	350
45 - 54	190	186	223
55 - 64	112	138	154
Over 65	19	16	40
Unknown	0	2	43
Female Claimants	1,057	1,392	1,129
Less than 25	259	308	264
25 - 34	415	476	405
35 - 44	188	302	223
45 - 54	131	207	118
55 - 64	58	84	69
Over 65	7	10	8
Unknown	1	5	42
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining	96	91	90
Contract Construction	509	596	854
Manufacturing	133	115	140
Transportation, Communications, Utilities	227	257	305
Trade	578	679	549
Finance, Insurance, Real Estate	166	174	126
Services	622	928	734
Other	220	206	97
Unknown	16	7	73
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial	395	454	407
Clerical, Sales	670	786	681
Service	350	500	359
Farming, Fishing, Forestry	12	11	12
Processing	23	23	20
Machine Trades	103	98	130
Bench Work	31	34	23
Structural Work	718	759	883
Miscellaneous	265	386	362
Unknown	0	2	91
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks	668	668	873
5 - 14 Weeks	572	644	661
15 Weeks & Over	270	349	305
Female Claimants			
1 - 4 Weeks	359	473	454
5 - 14 Weeks	480	711	478
15 Weeks & Over	218	208	197

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE

				Changes From:	
	9-79 p/	8-79 r/	9-78	8-79	9-78
Nonagricultural Wage & Salary.....	79,700	80,200	80,750	-500	-1,050
Mining.....	1,700	1,700	1,850	0	-150
Construction.....	6,950	6,900	7,650	50	-700
Manufacturing.....	2,350	2,550	1,950	-200	400
Food & Kindred Products.....	800	1,050	550	-250	250
Other Manufacturing.....	1,550	1,500	1,400	50	150
Transp.-Comm. & Utilities.....	8,400	8,650	8,550	-250	-150
Trucking & Warehousing.....	1,350	1,500	1,550	-150	-200
Water Transportation.....	500	450	300	50	200
Air Transportation.....	2,750	2,850	2,800	-100	- 50
Other Transp.-Comm. & Utilities..	3,800	3,850	3,900	- 50	-100
Trade.....	16,950	17,050	17,150	-100	-200
Wholesale Trade.....	4,100	4,150	4,250	- 50	-150
Retail Trade.....	12,850	12,900	12,900	- 50	- 50
General Merchandise & Apparel..	1,650	1,700	1,900	- 50	-250
Food Stores.....	1,450	1,450	1,600	0	-150
Eating & Drinking Places.....	4,750	4,700	4,300	50	450
Other Retail Trade.....	5,000	5,050	5,100	- 50	-100
Finance-Insurance & Real Estate....	4,800	4,850	5,000	- 50	-200
Services & Miscellaneous.....	16,250	16,250	16,150	0	100
Government 2/.....	22,300	22,250	22,450	50	-150
Federal.....	10,150	10,450	10,000	-300	150
State.....	4,700	4,550	4,750	150	- 50
Local.....	7,450	7,250	7,700	200	-250

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Total nonagricultural wage and salary employment, as well as the accompanying index, are particularly helpful. Total wage and salary employment is a statistically consistent series; therefore over-the-year changes can be significant. The index is derived from the wage and salary series, but is seasonally adjusted so it can show changes in the basic economy.

Wage and salary employment continues to be below year-ago levels. Employment in September was 79,700, about a thousand below last September. Recently, the over-the-year changes have been in this range producing a gradual decline in the seasonally adjusted series.

A glance at the Anchorage wage and salary employment index reveals this trend. The index peaked in February 1978 and has displayed a general decline ever since. The decline has been gradual, but persistent. The index fell below year-ago levels in July 1978 and now records 14 straight months below the previous year. It has been declining so long that it is not just below the previous year. The index is now at 156.9 – the lowest it has been since January 1977. This is a span of nearly 3 years.

The gradual shrinking of the economy was not significant last spring when the seasonal expansion was occurring, but this fall and winter it will be much more evident. The seasonal contraction will now coincide with the underlying decline. There is also less money being injected into the local economy because there are fewer insured unemployed. An average week this September saw approximately 3,200 Anchorage citizens collect compensation for a week of unemployment. This is 6 percent below last year and 11 percent below 1977. Fewer claimants means fewer unemployment insurance checks, and less money reinjected into the economy, at least compared to the last two years. During the month of September checks totaling $1,116,724 were paid out to Anchorage claimants. In September 1978, the total was $1,321,195.

The decline in claimants is concentrated in the construction industry. Last year in September nearly 30 percent of the claimants were construction workers. This year it is less than 20 percent of the claimants but the lack of claimants does not mean they are working. Employment has also fallen off in the industry. Employment in the housing sector is off by 9 percent this year, if it was not for the strength in the highway sector, employment in the construction industry would show a larger decline. The construction of housing, if you judge by building permits, is down by over 50 percent. The vacancy rate is rising, financing is hard to obtain, leaving slackening demand for new construction. The industry will contribute fewer dollars to the economy this year, both in wages and also as unemployment insurance compensation.

The industry with the most positive impact on total wage and salary employment is manufacturing. This positive effect will be shortlived since it is seasonal and is concentrated in the fish processing sector. All other industries are reasonably stable and are expected to remain that way.

ANCHORAGE–MATSU LABOR FORCE IN SEPTEMBER

By Cal Dauel

The unemployment rate in the region declined this month as a result of similar declines in both of the component areas. Unemployment declined in spite of the fact that employment also declined. This was true in the valley as well as Anchorage.

The unemployment rate in the valley is lower than it was last month and last year, but it is still the highest in the state. The 11.9 percent rate is only equaled by the relatively small Upper Yukon Division. The lower unemployment rate is paralleled by the fact that there are fewer unemployment insurance claimants filing at the Mat-Su Local Office. Both claimants and payment to claimants are down by more than 20 percent compared to September of last year.

Lower unemployment rates normally mean fewer federal dollars allocated to a state. This will affect the Comprehensive Employment and Training Act (CETA) funds for fiscal year 1980. In theory if the unemployment rate is down, there are fewer people in need of training or any of the services CETA provides. Alaska's allocation of CETA funds is down by $17 million compared to last fiscal year. As a result there is a freeze on Public Service Employment funded by the Balance of State CETA prime sponsor. Balance of State is everything except Anchorage which is also a CETA prime sponsor. This means that new people can not be placed in CETA positions until natural attrition of the current positions reduces the positions down to the funded level. This might mean a reduction of 30 percent in Balance of State Public Service Employment positions.

The cuts will be minimal in Anchorage–MatSu region because of the fiscal situation or plans of the two prime sponsors. The CETA program of the Anchorage Municipality will remain constant since its funding is almost constant. They received $6.9 million – about $200,000 less than last year. There are currently 43 Public Service positions in the valley. The prime sponsor is intending to maintain that level of commitment because of the current economic situation in the valley. The end result will be little change in training jobs and dollars as a result of the lower unemployment rates.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE–MATSU

	p/ 9-79	r/ 8-79	9-78	Changes From: 8-79	9-78
Nonagricultural Wage & Salary.....	83,550	83,950	84,300	-400	-750
Mining.....	1,750	1,750	1,750	0	0
Construction.....	7,400	7,300	7,950	100	-550
Manufacturing.....	2,400	2,650	2,050	-250	350
Transp.-Comm. & Utilities.....	8,750	9,000	8,900	-250	-150
Trade.....	17,850	17,900	17,800	- 50	50
Finance-Insurance & Real Estate....	4,850	4,950	5,150	-100	-300
Services & Miscellaneous.....	16,650	16,600	16,600	50	50
Government 2/.....	23,900	23,800	24,100	100	-200

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merril Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

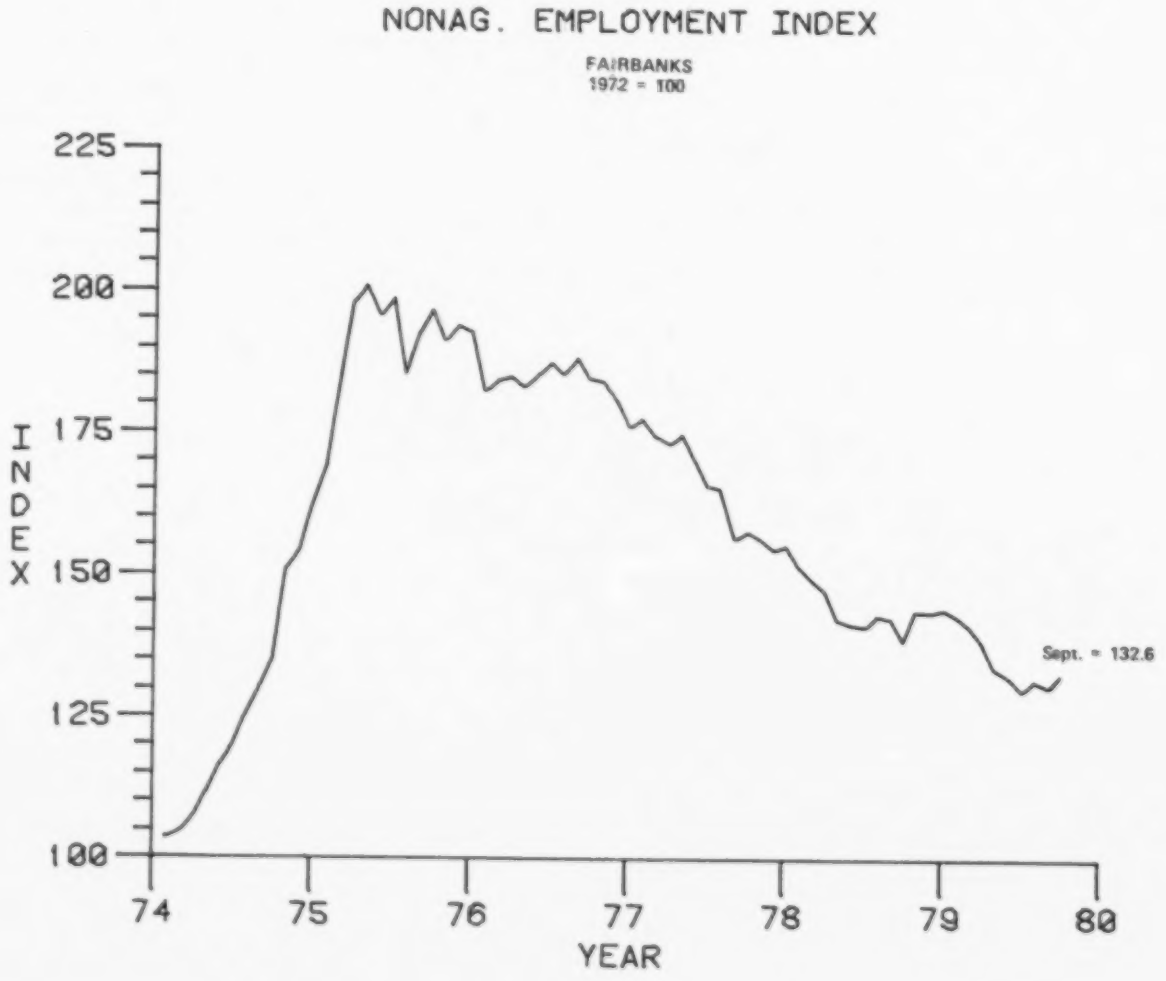
r/ Denotes revised estimates.

FAIRBANKS LABOR FORCE IN SEPTEMBER

By Neal Fried

September is the month that plays the delicate highwire balancing act between the time of the year employment peaks and the beginning of the seasonal slide. September reached this high point with 21,250 wage and salary workers. This is a 2 percent increase over last month and only 4 percent less than in September 1978. The difference in percentage comparisons with corresponding months in 1978 is less in September than it has been in all the previous months of 1979. The nonagricultural index also went up this month, for the second time this year. This is because in September employment went up where as in the past three years employment has dropped twice in September. Also, this month's increase is greater than it has been in the past 4 years in September.

The primary reason employment jumped in September is that schools and the university reopened. Employment in almost all other industries



CHARACTERISTICS OF THE INSURED UNEMPLOYED IN FAIRBANKS

State Unemployment Insurance Statistics

	9-79	8-79	9-78
TOTAL WEEKS CLAIMED	973	1,292	1,803
CLAIMANT SEX AND AGE			
Male Claimants	570	763	1,236
Less than 25	95	111	230
25 - 34	224	285	503
35 - 44	117	150	203
45 - 54	71	103	152
55 - 64	46	84	98
Over 65	10	17	14
Unknown	7	13	36
Female Claimants	403	529	567
Less than 25	100	117	147
25 - 34	160	191	226
35 - 44	82	114	99
45 - 54	38	65	45
55 - 64	18	25	28
Over 65	0	5	1
Unknown	5	12	21
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining	14	13	14
Contract Construction	270	369	880
Manufacturing	44	55	32
Transportation, Communications, Utilities	82	170	184
Trade	145	176	212
Finance, Insurance, Real Estate	31	33	40
Services	288	330	376
Other	86	143	29
Unknown	13	3	36
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial	168	202	143
Clerical, Sales	203	242	285
Service	132	177	194
Farming, Fishing, Forestry	2	5	1
Processing	6	9	7
Machine Trades	43	50	109
Bench Work	8	5	14
Structural Work	324	419	692
Miscellaneous	87	181	311
Unknown	0	2	47
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks	268	353	503
5 - 14 Weeks	200	295	411
15 Weeks & Over	102	115	322
Female Claimants			
1 - 4 Weeks	200	235	176
5 - 14 Weeks	126	183	206
15 Weeks & Over	77	111	185

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

	p/ 9-79	r/ 8-79	9-78	Changes From: 8-79	9-78
Nonagricultural Wage & Salary.....	21,100	20,850	22,200	250	-1,100
Mining.....	50	50	50	0	0
Construction.....	2,000	2,100	2,200	-100	-200
Manufacturing.....	600	650	550	- 50	50
Transp.-Comm. & Utilities.....	2,350	2,500	2,850	-150	-500
Trucking & Warehousing.....	350	350	600	0	-250
Air Transportation.....	700	700	650	0	50
Other Transp.-Comm. & Utilities..	1,300	1,450	1,600	-150	-300
Trade.....	3,950	3,950	4,250	0	-300
Wholesale Trade.....	700	700	800	0	-100
Retail Trade.....	3,250	3,250	3,450	0	-200
General Merchandise & Apparel..	400	400	450	0	- 50
Food Stores.....	500	500	500	0	0
Other Retail Trade.....	2,350	2,350	2,500	0	-150
Finance-Insurance & Real Estate....	800	800	900	0	-100
Services & Miscellaneous.....	3,800	3,850	4,150	- 50	-350
Government 2/.....	7,550	6,950	7,250	600	300
Federal.....	2,400	2,500	2,500	-100	-100
State.....	3,100	2,650	2,750	450	350
Local.....	2,050	1,800	2,000	250	50

1/ Data contained in this report covers the Fairbanks Election District area which includes the city of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Slaterville Gilmore, Tok Junction, Big Delta and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

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either declined (construction for the first time in six months) or remained steady. Employment at the University of Alaska has increased by 100–200 this year over last year. This may be partially due to the fact that enrollment increased again this year. The sluggish economy may be somewhat responsible for this increase in enrollment as many individuals are finding employment opportunities inadequate and, are deciding to go to school for the first time or to return for further education. Education provides approximately 3,000 jobs in Fairbanks, more than 50 percent of which are connected with the University. The University is the single largest employer in Fairbanks.

As employment made gains in September the unemployment rate continued to move in the opposite direction to a new low of 8.0 percent. This is the lowest rate recorded for Fairbanks since 1976. However, this should not be interpreted as a sign of improvement in the economy. It is true that normally during the summer months in this highly seasonal work force the unemployment rates do tend to fall, but in this case seasonality is only a small part of the reason. The major reason why this has occurred is the fact that many people are leaving, especially those who cannot find work. This means that fewer individuals are actively looking for the limited number of jobs. As a result, the number of unemployed has dropped more rapidly than the civilian labor force and, therefore, the unemployment rate has dropped.

An additional possible contributing factor to the decline in the unemployment rate is that an increasing number of individuals may have given up seeking employment because they feel it is not available; therefore, they have become what is referred to as "discouraged workers." If individuals are not actively looking for work, then they are not considered officially unemployed. The number of discouraged workers has undoubtedly grown in the past two years, for their numbers tend to grow as an economy continues to decline. The actual number of discouraged workers would be extremely difficult to estimate.

Thus taking these factors into consideration it should be realized that the declining unemployment rate cannot be diagnosed as an improvement in Fairbanks' economy, unless the fact that fewer people are competing for a limited number of jobs can be interpreted as such. The unemployment rate for the remainder of the year will continue to register below last years level. The final annual rate should also be somewhat below last year's level.

INTERIOR ALASKA'S LABOR FORCE IN SEPTEMBER

By Neal Fried

Interior's wage and salary employment has dropped off during the past two months, unlike Fairbanks'. This is because the rural Interior relies on seasonal employment to a much larger degree than Alaska's urban areas. This type of employment is found in such areas as fishing, firefighting, construction, mining and tourism.

Tourism is a major employer on the portion of the Parks Highway which is in the Interior region. The other two major employers along the highway are the military and the Usibelli Coal Mine, which will be discussed in later articles. The magnet for the tourist industry on the highway is Mt. McKinley Park. It has become such a popular tourist attraction that during the summer months approximately 50 percent of the people traveling through that section of the highway stop to visit the park, in numbers this means 247,800 visitors in 1979, which is an 11 percent increase over last year. This is despite the fact that traffic along the Alcan Highway declined in 1979 and despite the fact that visitation of many national parks in the "lower 48" declined because of gasoline shortages.

The effect the park has on tourism for the entire state would be extremely difficult to gauge. Because it is perhaps Alaska's most well known natural wonder to the people in the continental U.S. and possibly to people throughout the world, at a minimum it does have an indirect influence on attracting visitors to the State. The effect the park has on the local economy and along the entire Parks Highway cannot be accurately measured, but it is substantial.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
INTERIOR

				Changes From:	
	9-79 p/	8-79 r/	9-78	8-79	9-78
Nonagricultural Wage & Salary.....	25,200	25,200	25,850	0	-650
Mining.....	200	200	200	0	0
Construction.....	2,450	2,600	2,350	-150	100
Manufacturing.....	650	700	550	- 50	100
Transp.-Comm. & Utilities.....	3,500	3,500	3,750	0	-250
Trade.....	4,350	4,300	4,550	50	-200
Finance-Insurance & Real Estate....	850	900	950	- 50	-100
Services & Miscellaneous.....	4,250	4,300	4,650	- 50	-400
Government 2/.....	8,950	8,700	8,850	250	100

1/ Data contained in this report covers the Upper Yukon census division, the Yukon-Koyukuk census division, the Southeast Fairbanks census division and the Fairbanks census division.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark data March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

During the 5 months it is open, 250–300 people are employed at the park. This includes McKinley's personnel and the concessions employees. According to the Park Service, 60–80 percent of its employees are hired within the State. The park's budget in FY 1979 was $3.1 million and the hotel's concession earned $2.7 million. This is only the direct employment and revenue generated within the park. The figure would be far greater if one were able to include the large number of lodges, eating and drinking establishments, service stations, shops, sightseeing services, mountain guiding and other recreational services dependent on McKinley's visitors. Transportation provided to get to the park such as buses and the Alaska Railroad would further inflate the figures. For example the railroad estimates 85–90 percent of its passengers during the three summer months are headed for McKinley from Anchorage or Fairbanks. The passenger traffic during these summer months accounted for 78 percent of all the passenger traffic for FY 1979. The number of passengers during these three months was up 25 percent over last year. The transporting of tourists to the park not only affects employment along the Parks Highway but also has a direct impact on the Interior's capital, Fairbanks, and also Anchorage, where these transportation services originate. McKinley Park as one of Alaska's major attractions undoubtedly results in an increased number of visits to these two cities and possibly the entire State.

New employment opportunities generated by activities in McKinley Park hold a bright future. Tourism is expected to continue to increase statewide and McKinley Park will share some of this growth, as it has in the past. The park is also conveniently located between Alaska's two largest cities whose populations will likely grow in the future which inturn will create additional demands for recreation in the park and the surrounding area. McKinley may also be somewhat more insulated from rising energy since it is served by both buses and the railroad. Therefore in the long run, taking all of these factors into account, tourism in the park and the surrounding area may increase rapidly. This will mean an increase in employment opportunities in the Interior.

SOUTHEASTERN ALASKA'S LABOR FORCE IN SEPTEMBER

By Jan McIlroy

September employment trends in Southeastern Alaska were about normal for early fall. Seasonal activity in many industries was beginning to drop off. The fishing season was coming to a close, and only a few processing plants in the northern portion of the panhandle were in operation. Tourism was also winding down with only a few tourships visiting the area.

The return of rain was welcomed by the logging industry after an absence of nearly 25 days. The "Hoot Owl" restrictions placed on the industry were lifted bringing about longer working hours and increased employment.

Employment in the logging industry was also boosted by the reopening on September 4th of the Schnabel Lumber Company mill. The mill in Haines had been closed for two years. It hired between 45 and 50 employees. The Schnabel mill is using logs from Louisiana Pacific–Ketchikan and Alaska Lumber and Pulp Co. of Sitka. There are enough logs to keep the mill operating all winter. Local logs will not be used right now, but road building into the timber area on Little Salmon River began in the middle of September.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

				Changes From:	
	9-79 p/	8-79 r/	9-78	8-79	9-78
Nonagricultural Wage & Salary.....	28,650	29,350	26,700	-700	1,950
Construction.....	1,400	1,500	1,150	-100	250
Manufacturing.....	5,200	5,700	4,850	-500	350
Transp.-Comm. & Utilities.....	2,750	2,650	2,450	100	300
Trade.....	3,900	4,000	3,600	-100	300
Wholesale Trade.....	400	400	350	0	50
Retail Trade.....	3,500	3,600	3,250	-100	250
Finance-Insurance & Real Estate....	1,100	1,100	1,000	0	100
Mining, Services & Misc.	3,350	3,450	2,900	-100	450
Government 2/.....	10,900	10,950	10,750	- 50	150
Federal.....	2,550	2,600	2,550	- 50	0
State.....	4,550	4,600	4,550	- 50	0
Local.....	3,800	3,750	3,650	50	150

1/ Data in this report cover the following census divisions: Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway-Yakutat, and Wrangell-Petersburg.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Most highway construction projects were winding down by September. However, widening and paving of the Canadian section of the Haines Highway started at the end of September. About 20 workers were on the clearing crew and will work until bad weather. The crew will then be expanded to 100 in the spring. Under an agreement with Canada, a total of 10 percent of the employment will be American. While in the locations within 100 miles of either Tok or Haines, up to 15 percent of the labor force may be American and on any one job, as much as 50 percent may be American. The merchantable timber from the clearing of the right-of-way will be made available to Haines mill operators. They may also be asked to do the logging.

Though the tourist season is about over, this past season was quite a good one for many communities in southeastern. For an example, by the end of tourist season this fall, 100,000 persons will have visited Sitka, an increase of 25,000 from last year. In Sitka, the tour industry is in No. 2 spot, ahead of fishing and just behind Alaska Lumber and Pulp Co. It will continue to grow as cruise ship visits will increase 95 this year to 113 in 1980. Three cruise ships will be making Sitka a port of call. One of the new ships, the Odessa, is under Russian registry. It will also stop in Ketchikan, Glacier Bay and Skagway.

HOURS AND EARNINGS IN SEPTEMBER

By Sheila Lovelace

With September closing out the summer months, normal seasonal declines were apparent in the fluctuation of average weekly hours and average hourly earnings.

The hardest hit area was the food and kindred products sector of manufacturing. The end of the fishing season created a 27 percent decrease in average weekly hours. The lay off of lower paid production workers and a union raise in one large company were factors behind the 15 percent increase in average hourly earnings.

The transportation industry was also affected by the seasonal decline. Trucking average weekly hours were down by 6 percent. A decline in moving activity with the start of the school year always seems to be a factor in this sector. The air transportation industry also experienced a drop in average weekly hours with the close of their peak season.

Mining's 5 percent average hourly earnings increase and 1 percent average weekly hours increase was caused by increased overtime in the oil and natural gas sector. Despite fewer operating rigs throughout the state in September, the companies that were operating were doing so at a high level of activity.

An employment drop in the wholesale trade industry had an impact on the 5 percent increase in average weekly hours. Especially noticeable were companies related to selling of construction materials. The lay off of summer help without a sharp decline in business resulted in employees working longer hours.

Activity in the logging and pulp mill sectors contributed to the 3 percent average hourly earning increase and the 6 percent average weekly hour increase for lumber and paper products. Lifting of the "hoot owl" restriction in Southeastern Alaska increased the amount of weekly hours worked in the logging sector. A maintenance shutdown which involved hiring of higher paid skilled workers and a large amount of overtime in the pulp mill sector also influenced the rise.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	AVERAGE HOURLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE WEEKLY EARNINGS		
	p/ 9/79	r/ 8/79	9/78	p/ 9/79	r/ 8/79	9/78	p/ 9/79	r/ 8/79	9/78
MINING	17.45	16.62	14.26	52.6	51.9	52.2	917.87	862.58	744.37
CONTRACT CONSTRUCTION	18.75	18.99	18.48	45.0	44.8	48.2	843.75	850.75	890.74
MANUFACTURING	10.79	8.70	9.08	36.5	42.5	42.5	393.84	369.75	385.90
Food & Kindred Products	7.75	6.56	6.28	30.9	42.4	43.6	239.48	278.14	273.81
Lumber & Paper Products	13.38	12.92	12.12	46.0	43.4	42.1	615.48	560.73	510.25
TRANSPORTATION,COMM. & UTILITIES.	12.86	12.64	11.71	36.9	37.5	37.2	474.53	474.00	435.61
TRADE	8.39	8.22	7.94	35.6	35.4	34.0	298.68	290.99	269.96
Wholesale Trade	9.69	9.60	9.10	41.1	39.1	37.3	398.26	375.36	339.43
Retail Trade	7.86	7.66	7.49	33.7	34.2	32.9	264.88	261.97	246.42
FINANCE,INSURANCE & REAL ESTATE	--	--	--	--	--	--	261.08	245.03	253.27

1/ Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor

2/ excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	p/ 9/79	r/ 8/79	9/78	p/ 9/79	r/ 8/79	9/78	p/ 9/79	r/ 8/79	9/78	p/ 9/79	r/ 8/79	9/78
Alaska Statewide	188850	193483	185831	12565	13178	17467	6.7	6.8	9.4	176285	180305	168364
Anchorage-Matsu Region	92278	93325	91539	5555	6117	7539	6.0	6.6	8.2	86723	87208	84000
Anchorage	85129	86012	84186	4701	5134	6283	5.5	6.0	7.5	80428	80878	77903
Matanuska-Susitna	7149	7313	7353	854	983	1256	11.9	13.4	17.1	6295	6330	6097
Gulf Coast Region	22785	24756	22567	2090	1764	2317	9.2	7.1	10.3	20695	22992	20250
Cordova	1206	1320	1181	77	66	77	6.4	5.0	6.5	1129	1254	1104
Kenai	10778	11733	10673	1210	1103	1311	11.2	9.4	12.3	9568	10630	9362
Kodiak	5116	5461	4926	426	250	337	8.3	4.6	6.8	4690	5211	4589
Seward	1537	1686	1594	120	111	207	7.8	6.6	13.0	1417	1575	1387
Valdez	4148	4556	4193	257	234	385	6.2	5.1	9.2	3891	4322	3808
Interior Region	25077	25429	26054	2047	2357	3847	8.2	9.3	14.8	23030	23072	22207
Fairbanks	20349	20628	21211	1637	1882	3168	8.0	9.1	14.9	18712	18746	18043
Southeast Fairbanks	1946	1978	2028	147	175	293	7.6	8.8	14.4	1799	1803	1735
Upper Yukon	603	614	623	72	82	111	11.9	13.4	17.8	531	532	512
Yukon-Kovukuk	2179	2209	2192	191	218	275	8.8	9.9	12.5	1988	1991	1917
Northern Region	8391	8592	8011	538	627	645	6.4	7.3	8.1	7853	7965	7366
Barrow-North Slope	2328	2366	2161	148	155	116	6.4	6.6	5.4	2180	2211	2045
Kobuk	2483	2580	2427	175	239	262	7.0	9.3	10.8	2308	2341	2165
Nome	3580	3646	3423	215	233	267	6.0	6.4	7.8	3365	3413	3156
Southeast Region	30673	31365	28469	1647	1525	2346	5.4	4.9	8.2	29026	29840	26123
[illegible]	505	521	503	38	41	82	7.5	7.9	16.3	467	480	421
Haines	1050	1081	1008	55	58	112	5.2	5.4	11.1	995	1023	896
Juneau	10969	11255	10168	537	531	780	4.9	4.7	7.7	10432	10724	9388
Ketchikan	6428	6538	5920	365	305	464	5.7	4.7	7.8	6063	6233	5456
Outer Ketchikan	1129	1147	1037	73	62	87	6.5	5.4	8.4	1056	1085	950
Prince of Wales	1720	1748	1596	103	85	140	6.0	4.9	8.8	1617	1663	1456
Sitka	4065	4146	3765	227	200	311	5.6	4.8	8.3	3838	3946	3454
Skagway	1579	1627	1488	89	95	147	5.6	5.8	9.9	1490	1532	1341
Wrangell-Petersburg	3228	3302	2984	160	148	223	5.0	4.5	7.5	3068	3154	2761
Southwest Region	9646	10016	9191	688	788	773	7.1	7.9	8.4	8958	9228	8413
Aleutian Islands	2459	2534	2307	118	122	107	4.8	4.8	4.6	2341	2412	2200
Bethel	3021	3153	2916	235	283	298	7.8	9.0	10.2	2786	2870	2618
Bristol Bay Borough	403	412	389	22	20	31	5.5	4.9	8.0	381	392	358
Bristol Bay	1298	1341	1230	80	86	85	6.2	6.4	6.9	1218	1255	1145
Kuskokwim	929	987	884	107	140	111	11.5	14.2	12.6	822	847	773
Wade Hampton	1536	1589	1465	126	137	141	8.2	8.6	9.6	1410	1452	1324

p/=Preliminary r/=Revised 1978 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

Jan 17, 80

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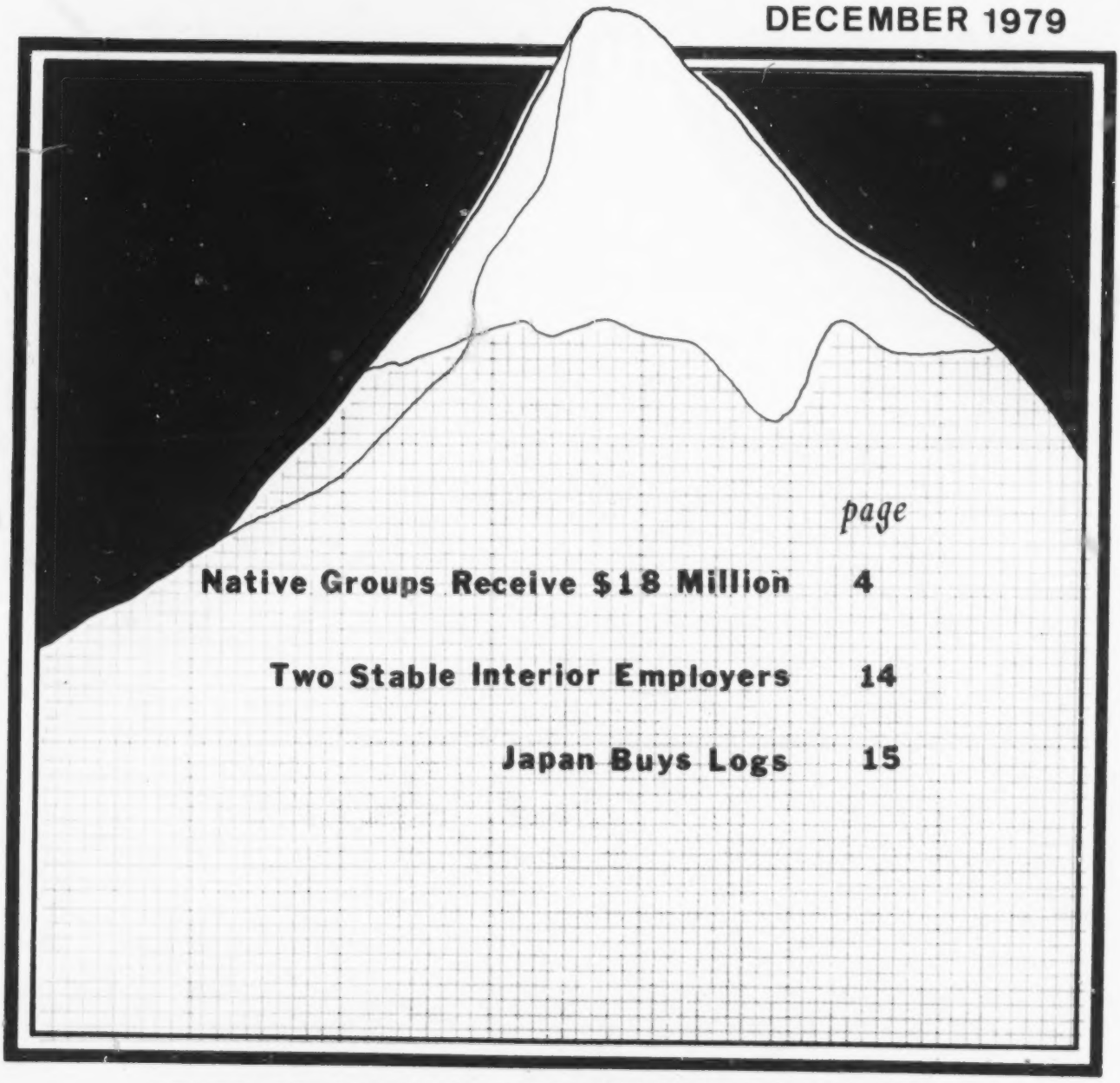
ALASKA ECONOMIC TRENDS

DECEMBER 1979



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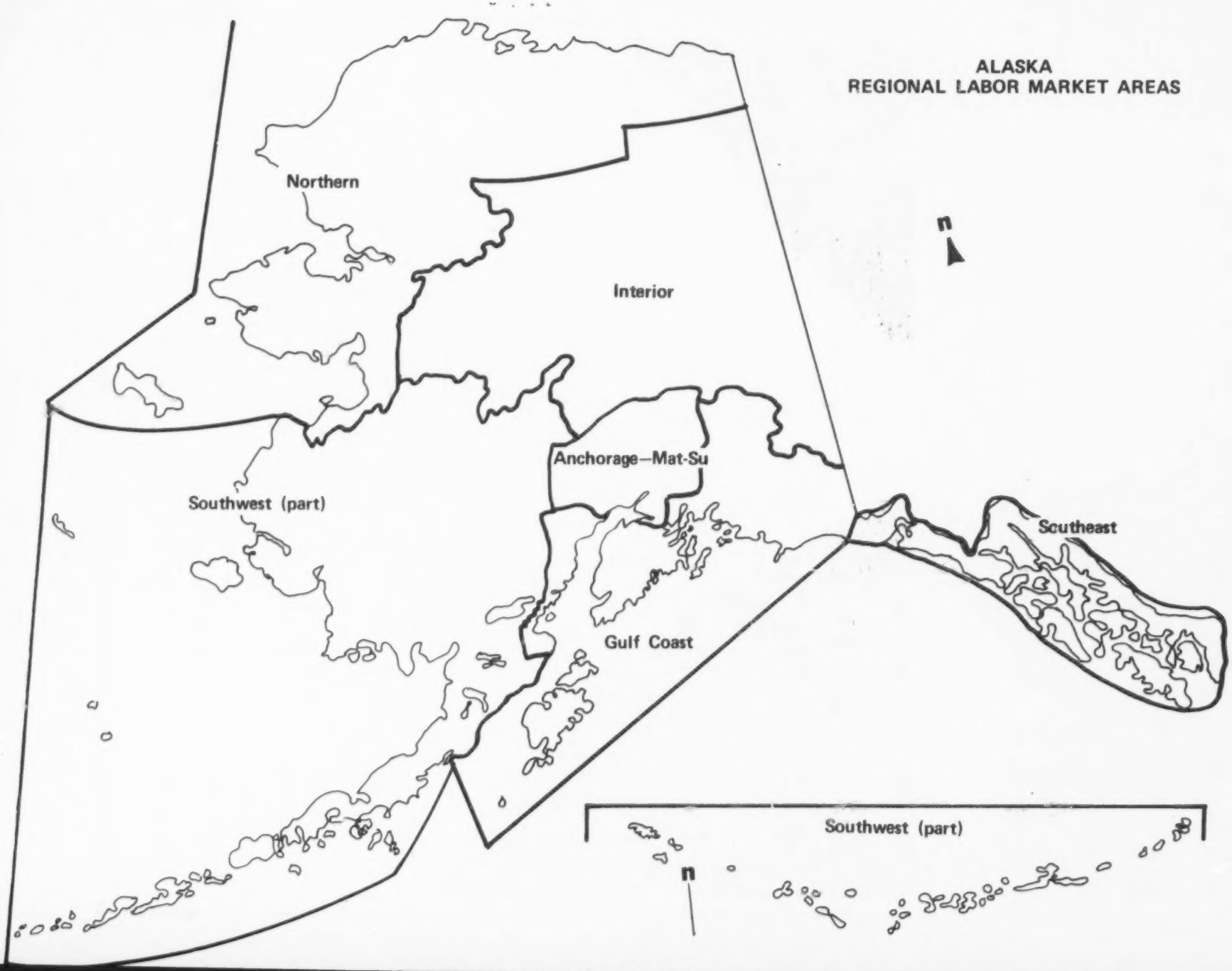
STATE OF ALASKA DEPARTMENT OF LABOR
RESEARCH AND ANALYSIS SECTION

JAY S. HAMMOND, GOVERNOR


ALASKA
REGIONAL LABOR MARKET AREAS
Northern
Interior
Anchorage–Mat-Su
Southwest (part)
Scutheast
Gulf Coast
Southwest (part)

ALASKA ECONOMIC TRENDS

Jay S. Hammond, Governor
State of Alaska

Edmund N. Orbeck, Commissioner
Department of Labor

John E. Post, Chief
Research and Analysis

December 1979

Chris Miller, Edito.

ALASKA'S LABOR FORCE IN OCTOBER

By Sally Saddler

In a return to prepipeline employment trends, there were 4,000 (2.5 percent) fewer workers in October than in September. Since 1975, employment dropped an average 8,000 (4.0 percent) workers during October. Employment was lower this year than during the pipeline but still well above employment during 1974, the initial pipeline year.

The stability of government employment (one-third of total wage and salary employment) has helped Alaska maintain a strong employment picture during a period of slowdown in general building construction activity. Since 1972, modest increases in employment in service, mining, trade, manufacturing and government have offset the drop in pipeline-related employment. During October, employment in total government (the only industry to record any growth from the previous month) increased by approximately 800 workers. The increase in state and local government, due to the opening of schools and beginning of classes at the university, more than offset the seasonal loss of 200 federal (primarily park and forest service personnel) jobs.

Manufacturing employment fell by approximately 3,000 workers. Over 90 percent of this drop

CHARACTERISTICS OF THE INSURED UNEMPLOYED
STATEWIDE

State Unemployment Insurance Statistics

	10-79	9-79	10-78
TOTAL WEEKS CLAIMED	8,548	7,314	10,423
CLAIMANT SEX AND AGE			
Male Claimants	5,151	4,230	6,817
Less than 25	932	785	1,260
25 - 34	2,009	1,674	2,444
35 - 44	908	749	1,210
45 - 54	644	526	905
55 - 64	408	327	520
Over 65	65	70	100
Unknown	185	99	378
Female Claimants	3,397	3,084	3,606
Less than 25	871	704	854
25 - 34	1,295	1,210	1,285
35 - 44	582	556	678
45 - 54	371	360	397
55 - 64	194	176	154
Over 65	22	17	27
Unknown	62	61	211
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining	291	275	219
Contract Construction	1,691	1,423	3,140
Manufacturing	813	693	876
Transportation, Communications, Utilities	795	612	1,076
Trade	1,461	1,268	1,507
Finance, Insurance, Real Estate	504	368	573
Services	2,006	1,799	2,282
Other	960	746	433
Unknown	27	130	317
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial	1,196	1,121	1,187
Clerical, Sales	1,800	1,618	1,804
Service	1,154	961	1,210
Farming, Fishing, Forestry	138	66	130
Processing	302	339	344
Machine Trades	354	292	534
Bench Work	41	54	61
Structural Work	2,568	2,110	3,519
Miscellaneous	945	712	1,390
Unknown	50	41	244
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks	3,389	2,381	3,157
5 - 14 Weeks	1,226	1,261	2,577
15 Weeks & Over	536	588	1,083
Female Claimants			
1 - 4 Weeks	1,975	1,640	1,246
5 - 14 Weeks	950	978	1,557
15 Weeks & Over	472	466	803

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

	p/ 10-79	r/ 9-79	10-78	Changes From: 9-79	10-78
Nonagricultural Wage & Salary	167,500	171,500	166,100	-4,000	-1,400
Mining	5,200	5,200	5,400	0	-200
Construction	12,300	12,800	13,300	-500	-1,000
Manufacturing	11,100	14,100	11,200	-3,000	-100
Food & Kindred Products	5,400	8,200	5,700	-2,800	-300
Lumber & Paper Products	3,500	3,600	3,000	-100	500
All Other Manufacturing	2,200	2,300	2,500	-100	-300
Transp.-Comm. & Utilities	17,300	17,900	15,900	-600	1,400
Trucking & Warehousing	2,000	2,200	2,300	-200	-300
Water Transportation	1,400	1,600	1,200	-200	200
Air Transportation	4,900	5,100	4,300	-200	600
Other Transp.-Comm. & Utilities	9,000	9,000	8,100	0	900
Trade	29,300	29,300	29,200	0	100
Wholesale Trade	5,600	5,600	5,500	0	100
Retail Trade	23,700	23,700	23,700	0	0
General Merchandise & Apparel	4,100	4,100	4,400	0	-300
Food Stores	3,400	3,400	3,400	0	0
Eating & Drinking Places	8,500	8,500	7,600	0	900
Other Retail Trade	7,700	7,700	8,300	0	-600
Finance-Insurance & Real Estate	7,500	7,600	7,900	-100	-400
Services & Miscellaneous	29,400	30,000	28,000	-600	1,400
Government 2/	55,400	54,600	55,200	800	200
Federal	18,100	18,300	18,700	-200	-600
State	15,300	15,000	15,000	300	300
Local	22,000	21,300	21,500	700	500

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

occurred in the area of fish processing, which accounted for almost half of all manufacturing employment during October. The transition from the salmon to king crab fishing season historically results in a decline in the number of processing jobs.

October's seasonal drop in forest product employment was minimized this year as a result of recent land conveyances to native village corporations under the Alaska Native Claims Settlement Act. At the end of federal fiscal year 1979, the Bureau of Land Management had transferred almost half of the total 10.4 million acreas that is to be conveyed under the act. Southeast Alaska (which accounts for 70 percent of forest products employment) sustained a higher than normal level of employment activity during October as a result of harvesting and exporting of round logs from native lands.

Native corporations play a vital role in more than just manufacturing employment. This month the federal Department of Labor awarded Alaska native groups over $18 million under the Comprehensive Employment and Training Act. The funds, disbursed among 14 native groups around the state, are intended to strengthen native job opportunities in both private and native enterprises. At the time of this writing, specific target areas have not yet been finalized.

During October, the Kenai Native Association (which received no money under the recent CETA award) was forced to temporarily suspend activity on their vocational training program which involved more than 40 natives in the service industry. The suspension was due to a stalemate in the approval of the federal budget for fiscal 1980. The training program is expected to resume operations within two months. The Kenai Native Association also announced the closing of the King George Hotel complex, blaming the loss of 36 full time jobs on a general economic slowdown.

Though construction employment continued its seasonal decline, several projects around the state did provide employment for over 12,000 workers. Employment in heavy construction was the only sector of construction (primarily supported by government contracts) to experience higher employment than last year.

Groundwork has been in progress on two southeastern projects recently financed by the Alaska Industrial Development Authority (AIDA). The authority is involved in the financing of tax exempt bonds in order to attract new industrial capital into the state. In Sitka, pile was being driven at a waterfront site for a $5 million freezing and cold storage plant for the Halibut Producer's Cooperative. Completion of the plant is expected by the 1980 salmon season. AIDA has also financed the construction of a small hemlock logmill on Metlakatla and improvements to a larger hemlock sawmill.

Progress on Sitka's Green Lake hydroelectric dam project continued this month. About 75 workers were on the construction site of the city-backed $54 million project. Work on a 700 foot diversion tunnel is expected to be completed next month. Alaska Lumber and Pulp purchased timber affected by the reservoir and powerline construction and has been logging it out.

Tesoro Alaska began groundwork on a multi-million dollar plant at their North Kenai refinery in an effort to substantially increase their output of gasoline and jet fuel. Actual plant construction is scheduled for next summer.

General building construction, down by 1,000 workers from last October, received a significant vote of financial support when Governor Hammond announced a contingency plan to provide up to $60 million in state funds to insure the continuation of Alaska Housing Finance Corporation's home mortgage program. The funds are expected to be adequate to meet the demand for home mortgages through AHFC over the next 6 months.

Mining employment had been restricted since August by a walkout which terminated this month. Union workers informally voted to return to work. Increases in oil and gas activity should be realized next month as a result of this.

ANCHORAGE LABOR FORCE IN OCTOBER

By Cal Dauel

The unemployment rate in Anchorage is beginning its regular seasonal climb, but with a variation in the normal pattern. The rate is not rising as fast as it has in previous years nor is it starting from as high a level. The unemployment rate was 6.3 percent in October, compared to 7.4 percent one year ago. There will be higher rates as winter progresses, but a trend seems established. Unemployment will continue to be below comparable rates from a year ago.

Most people in Anchorage perceive the economic situation to be tougher, and some indicators also show more personal hardship. For instance, food stamp applicants registering with job service have increased by 30 percent.

The number of people drawing unemployment insurance compensation is down from last year by 10 percent and the difference is increasing. Anchorage didn't experience the normal amount of seasonal employment, particularly in construction. The local unemployment office, therefore, did not encounter the usual surge in its claims load after the seasonal lay off. The current population survey (CPS), the other main data series used to estimate unemployment also indicates declining unemployment over the year. This series does not

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ANCHORAGE

State Unemployment Insurance Statistics

	10-79	9-79	10-78
TOTAL WEEKS CLAIMED	2,912	2,567	3,225
CLAIMANT SEX AND AGE			
Male Claimants	1,725	1,510	2,012
Less than 25	366	314	355
25 - 34	653	601	742
35 - 44	320	273	377
45 - 54	215	190	276
55 - 64	149	112	178
Over 65	17	19	37
Unknown	5	0	47
Female Claimants	1,187	1,057	1,213
Less than 25	342	259	316
25 - 34	470	415	405
35 - 44	185	188	255
45 - 54	117	131	121
55 - 64	60	58	56
Over 65	10	7	12
Unknown	3	1	48
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining	81	96	86
Contract Construction	571	509	980
Manufacturing	148	133	148
Transportation, Communications, Utilities	284	227	333
Trade	619	578	568
Finance, Insurance, Real Estate	209	166	152
Services	730	622	792
Other	259	220	112
Unknown	11	16	54
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial	402	395	449
Clerical, Sales	773	670	695
Service	433	350	406
Farming, Fishing, Forestry	30	12	12
Processing	29	23	20
Machine Trades	116	103	131
Bench Work	18	31	26
Structural Work	814	718	964
Miscellaneous	295	265	422
Unknown	2	0	100
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks	857	668	945
5 - 14 Weeks	585	572	787
15 Weeks & Over	283	270	280
Female Claimants			
1 - 4 Weeks	507	359	436
5 - 14 Weeks	433	480	533
15 Weeks & Over	247	218	244

require that a person have earnings and be eligible for unemployment insurance (UI) to be counted as employed. It does require that a person not be employed and must have actively looked for work. Consequently, those persons who are discouraged from seeking work because they believe no jobs are available and seasonal workers, during the off season who are not seeking other work, are not counted as being unemployed. Neither the UI or CPS series count the discouraged workers as unemployed. These people are probably the same ones who are putting the increased load on the food stamp program.

Wage and salary employment did decline this month, but not as much as would be expected when compared to the seasonal changes in other years. This caused the wage and salary employment index to jump to 158.9. As noted earlier, Anchorage did not experience the expected seasonal growth in employment this summer; consequently, the decline is not as great this fall. Additionally, the mild weather and lack of snow allowed what work was in progress to continue throughout October.

Construction is the main seasonal industry with a less than normal decline. As noted the weather was a factor. October was mild following a wet summer. This held down employment in the summer and prolonged it in the fall, particularly in the heavy and highway construction sectors. Work continued on the new North-South runway at Anchorage International and the Seward Highway job south of Potter. A new job even started up this fall; the Glenn Highway interchange at Chugiak High School. The characteristics of the insured unemployed point out the same things. Last year contract construction contributed 30 percent of the unemployment insurance claimants. This year the percentage is below 20. Unemployment from the construction industry will increase as winter strengthens its grip, but it will not equal last year's magnitude.

To a smaller extent manufacturing reacted in the opposite way. The largest sector of manufacturing this summer was involved in freezing salmon from the bumper harvest which occurred in Bristol Bay. Now the season is over and employment has plummeted. This is a larger than normal seasonal decline since employment attained higher levels this summer. Interestingly the characteristics of the insured unemployed does not reflect any startling growth in this industry's contribution. One explanation would be that the people working these short time summer jobs are not firmly attached to the local labor market, and when they become unemployed they leave Anchorage.

It would seem logical to believe that the people who are leaving Anchorage are unemployed and that their leaving has the effect of lowering the unemployment rate. This would be particularly true if the family has 2 wage earners, which is often the case. Then when the family leaves, the one employed wage earner quits and creates a job opportunity for someone else. This would also help explain the growth in the number of openings received by job service in Anchorage. It is curious to find that there are more openings being listed and filled through job service this year when there are fewer wage and salary jobs in the labor market.

ANCHORAGE–MAT-SU LABOR FORCE IN OCTOBER

By Cal Dauel

This region has the lowest regional unemployment rate in the state at 6.9 percent. This is in spite of the fact that one of the components, Matanuska–Susitna, has the highest unemployment rate of any of the census divisions. The rate is currently at 14.2 percent. This is still below last years rate of 16.9 percent, but then nearly every labor market area has a rate below what was recorded last year.

Activity is definitely slowing down in the valley, but it does not appear to be in a decline. It seems to be a matter of slow growth, and when this is compared to the very rapid growth of the last few years it can appear discouraging.

Most indicators such as telephone and electrical hookups or sales tax revenues for the City of Palmer show either slight growth or stability. This parallels our wage and salary employment series which continues to show slight growth in most industries. Only the service industry shows a substantial over-the-year decline.

There is a new radio station in the valley, KABN. At the present time they are broadcasting at 5 KW and reaching the Anchorage listening audience. They are not yet having much direct impact on the local economy since they are producing almost no employment and wages. Eventually they will have the effect of strengthening the local trading area as retailers become more visible to consumers, and the consumers find that they can purchase locally.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE–MATSU

				Changes From:	
	10-79 p/	9-79 r/	10-78	9-79	10-78
Nonagricultural Wage & Salary.....	82,350	83,400	82,250	-1,050	100
Mining.....	1,850	1,750	1,800	100	50
Construction.....	7,100	7,500	7,450	-400	-350
Manufacturing.....	1,850	2,300	1,750	-450	100
Transp.-Comm. & Utilities.....	8,300	8,750	8,400	-450	-100
Trade.....	17,950	17,850	17,550	100	400
Finance-Insurance & Real Estate....	4,900	4,850	5,050	50	-150
Services & Miscellaneous.....	16,100	16,350	16,100	-250	0
Government 2/.....	24,300	24,050	24,150	350	150

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merril Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

FAIRBANKS LABOR FORCE IN OCTOBER

By Neal Fried

The unemployment rate for Fairbanks this month has taken on its winter characteristics by sharply rising to 10.1 percent in October. This has predictably occurred at this same time for the past three years. However, this may be one of the first times when it almost entirely represents a seasonal change and not an overall economic one. Seasonality is responsible for approximately 95 percent of the month to month variance in the national unemployment rate that is not seasonally adjusted. Fairbanks is certainly far more susceptible to these wide sweeps and swings in unemployment. For example the nation's month-to-month unadjusted rate did not vary by more than .9 points during 1979 compared to Fairbanks' which increased by 2.3 points during October. During the past 7 years, Fairbanks' continually changing rate has been also closely tied to the booming and, later, the declining amount of economic activity. Now, as the labor force reaches some stability the seasonal factors again become the overwhelming influence on the unemployment rate.

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN FAIRBANKS

State Unemployment Insurance Statistics

	10-79	9-79	10-78
TOTAL WEEKS CLAIMED	1,188	973	1,961
CLAIMANT SEX AND AGE			
Male Claimants	757	570	1,404
Less than 25	143	95	257
25 - 34	315	224	519
35 - 44	129	117	284
45 - 54	93	71	206
55 - 64	64	46	80
Over 65	7	10	11
Unknown	6	7	47
Female Claimants	431	403	557
Less than 25	114	100	132
25 - 34	174	160	229
35 - 44	74	82	103
45 - 54	44	38	41
55 - 64	20	18	22
Over 65	0	0	2
Unknown	5	5	28
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining	20	14	22
Contract Construction	354	270	937
Manufacturing	41	44	24
Transportation, Communications, Utilities	128	82	261
Trade	183	145	204
Finance, Insurance, Real Estate	40	31	46
Services	305	388	400
Other	109	86	40
Unknown	8	13	27
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial	150	168	165
Clerical, Sales	232	203	280
Service	160	132	181
Farming, Fishing, Forestry	2	2	5
Processing	14	6	6
Machine Trades	57	43	129
Bench Work	9	8	11
Structural Work	410	324	785
Miscellaneous	152	87	344
Unknown	2	0	55
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks	436	268	688
5 - 14 Weeks	230	200	462
15 Weeks & Over	91	102	254
Female Claimants			
1 - 4 Weeks	212	200	209
5 - 14 Weeks	153	126	211
15 Weeks & Over	66	77	137

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

	p/ 10/79	r/ 9-79	10/78	Changes From: 9/79	10-78
Nonagricultural Wage & Salary.....	21,000	21,250	21,950	-250	-950
Mining.....	50	50	50	0	0
Construction.....	1,900	2,050	2,050	-150	-150
Manufacturing.....	550	600	500	- 50	50
Transp.-Comm. & Utilities.....	2,500	2,500	2,700	0	-200
Trucking & Warehousing.....	350	350	550	0	-200
Air Transportation.....	700	700	650	0	50
Other Transp.-Comm. & Utilities..	1,450	1,450	1,500	0	- 50
Trade.....	3,950	3,900	4,150	50	-200
Wholesale Trade.....	700	700	800	0	-100
Retail Trade.....	3,250	3,200	3,350	50	-100
General Merchandise & Apparel..	400	350	450	50	- 50
Food Stores.....	500	500	500	0	0
Other Retail Trade.....	2,350	2,350	2,400	0	- 50
Finance-Insurance & Real Estate....	750	800	900	- 50	-150
Services & Miscellaneous.....	3,700	3,850	3,900	-150	-200
Government 2/.....	7,600	7,500	7,700	100	-100
Federal.....	2,350	2,350	2,600	0	-250
State.....	3,150	3,100	3,050	50	100
Local.....	2,100	2,050	2,050	50	50

1/ Data contained in this report covers the Fairbanks Election District area which includes the city of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Sisterville Gilmore, Tok Junction, Big Delta and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Wage and salary employment figures also reflect this slowdown by losing approximately 200 workers. This is because seasonal layoffs began this month in the highway and building construction sectors. Services also lost an almost equal number with the tour season coming to an end and layoffs in other areas of the service industry. Government and the schools continued to hire staff, made up for some of this loss. The number of unemployment claims grew (by 31 percent) for the first time, after nine months of steady decline. The number of claims is likely to continue to grow during the next 4–5 months as layoffs continue and workers who were laid off earlier file for their U.I. checks. Unlike employment, which waxes and wanes with the season, prices in most instances have been traveling in one steady direction.

Fairbanks' Consumer Price index for all urban consumers, (CPI-U) has now been measuring inflationary forces for nine months in the local economy and some observations can be made. The Fairbanks CPI is presently moving at an annual rate of 10.4 percent and may very well be double digit for the year. However, it is increasing at a slower rate than example, Seattle's annual rate at this time is 15.4 percent! Anchorage's and Fairbanks' are moving along neck to neck, with Fairbanks having a fractional lead.

The local index is very closely tied to and influenced by the nation's economy simply because most goods purchased in Fairbanks originate from elsewhere in the nation. This does not mean there are not local dynamic forces that affect the rate of inflation. Of the items surveyed for the index, housing carries 50 percent of the weight and transportation 17 percent, which make them the first and third most important items in the CPI-U. Both of these items have been the greatest forces in driving the Fairbanks and nationwide CPI upward. Fuel is by far the major culprit. Fuel may have played an even larger role if it were not being locally produced, which has slowed down this increase. Rent has actually experienced deflation and the purchase price of a house is not likely to have increased due to presently poor economic conditions; however, the increase in the price of financing a home has definitely had an impact which is reflected in the index.

The medical care index increased more rapidly than any other, but this only occurred between August and October. It appears to be a one-time sharp jump and is expected to slow down and be surpassed again by transportation and housing. The price of food has followed the nation's increase closely, but apparel and upkeep is another category where the prices have been dropping. This is a local phenomenon, not nationwide. This is partially due to the number of large retail outlets having grown at the same time the market has been shrinking, causing the forces of competition to become fierce.

Though the Index does not bring good news (with a few minor exceptions) Fairbanks can be consoled somewhat by the fact that it fares better than most. This may be an oversimplification, for if the economy was in better shape inflation may be somewhat higher, but then employment and wages might also be up.

Clear A.F.B. and Usibelli Coal mine are within 50 miles of each other. Both generate additional employment and economic activity in communities along the Parks Highway such as in Nenana, other smaller communities and Fairbanks. In addition, both make extensive use of the Alaska Railroad. Almost all of Usibelli's coal is hauled by the A.R.R. and was responsible for approximately 30 percent of the railroad's tonnage and 18 percent of its freight revenue in FY 1979. (This includes coal hauled to Clear). Clear also uses the railroad to haul fuel and other goods. Employees from both Clear and Usibelli purchase most of their retail items from Nenana and Fairbanks. Approximately half of Clear's civilian contract personnel live off base, creating a demand for housing. Clear and Usibelli also provide employment opportunities to the local population and to Fairbanks.

Both of these employers have had low profiles over the years because they are long established employers in the Interior, and are not located in a major urban area and they are not in clear view of the highway. They have served as major employers in the Interior and have provided some employment stability over the years, and can be expected to continue to do so in the future. Their importance cannot be underestimated in rural Interior, for at the present time employment opportunities continue to elude much of its population.

SOUTHEASTERN ALASKA'S LABOR FORCE IN OCTOBER

By Jan McIlroy

In October a new industry began in Wrangell with the arrival of the Japanese log ship "Eastern Fiji". It was the first of several ships that will be in Southeastern ports to load logs for transport to Japan and Korea. The "Eastern Fiji" loaded 1.8 million board feet of spruce and hemlock logs from the Kake Tribal Corporation native timber sale on Kupreanof Island near Wrangell. Longshoremen from Wrangell will handle the loading operations. In addition to more work for the longshoremen, the City of Wrangell will benefit from wharfage fees of $200.00 a day plus .185 cents per thousand board feet. It should amount to $2,500 a trip. Meanwhile 2 MBF of cants were being loaded in Haines on the "Victorious", also a Japanese owned vessel. Thirty local longshoremen were employed in that international operation.

In the Skagway area, foresters and forestry technicians, with the help of a YACC crew have planted seedlings in the cut-over lands in the Kelsall River drainage. The seedlings were grown from seeds gathered in the Haines and Juneau areas and raised in Petersburg by the State. Cooperation between the Federal and State agencies has reduced the cost of the reforestation project.

A record rainfall in the Wrangell area resulted in mud slides that have caused an undetermined amount of damage to salmon eggs in the streams. The damage will be evaluated in the spring when the emerging salmon fry are counted. If the damage is severe, this could have a negative effect on the fish processing industry in that area in future years. On the brighter side, a large harvest of bait herring, 150 tons, from Anita Bay at Etolin Island was processed by Harbor Seafoods Company in Wrangell. Workers had a busy week unloading the herring, packing them in 33 pound boxes and loading the boxes into cold storage freezer units. The catch will be held for their own use by the Harbor Seafoods fishermen for next year's halibut and salmon seasons. They also froze and packaged 12,000 pounds of crab in October and 3,000 pounds of shrimp. The crab processing lines have been working at full capacity. The commercial crab season is scheduled to run through late winter or early spring, depending on the catch. The shrimp season is to end in mid-January. The frozen dungeness crab is destined for San Francisco, while the frozen shrimp is exported from Wrangell via Alaska Airlines to Anchorage and held in cold storage until 2,000 pounds are accumulated and then air freighted to Japan for retail sale.

The Lynn Canal gillnet season had an early closure due to weak fall runs. The escapement of chum salmon in the Chilkat River system has been poor. This situation led to a reduction of the number of employees in the fin-fish processing industry. Although, throughout Southeastern fish processing employment dropped nearly 50 percent, this is not unusual for this time of year.

In the Ketchikan area, tourism showed a slight increase over previous years. All tourist-related activities had a healthy season and feel the outlook for next year is even brighter. Local tourism operators are pegging their hopes on the nearby Misty Fiords area. As a new national monument it has given the area much publicity on a national level. While 84 stops were made in Ketchikan by cruise

ships this summer, 114 stops are planned for 1980. A spin-off from the ships is sightseeing tours by air that were at a new high this summer and fall. Nearly every business has benefited from the tourists.

The labor market in Skagway suffered a blow when one-third of the White Pass and Yukon Railroad employees were laid off due to a strike in Faro, Yukon Territory at the Cyprus Anvil mine. Over 30 of these men live in Skagway. The railroad only kept on enough crew to maintain the track. At this time of year they generally lay off one train crew due to the decrease in passenger traffic.

In the Juneau area there were several construction projects going on. A crew of 18 was working on the approaches to the new Juneau–Douglas Bridge that is to be comp[illegible]ed by the fall of 1981. The bid for the 1,286 [illegible]ot-long bridge is to be opened in November. It is the first bridge of its type in Alaska and will have a main span of 620 feet. Work on remodeling City Hall, a $750,000 project, was nearly finished. The Salvation Army began constructing a new community center to replace the building that burned last February. It is a $500,000 facility on the same site and should be ready for occupancy in mid-winter. New homes are still being constructed throughout the Juneau area. The local banks, however, are taking a "wait and see" attitude on whether the Alaska Housing Finance Corporation will receive new funds for the home mortgage market. The outcome could affect construction in the Juneau area. In early October a contract for a $146 million hotel, condominium and office building complex was signed. The location is to be the old A–J mill site just south of the main part of town. Alaska Realty Resource Inc. was the company behind the development of the project. Work is to begin in March, 1980, but clearing was already under way.

A $1.1 million employment and training opportunities grant was awarded to the Tlingit–Haida Central Council. The award was the result of a CETA proposal. The employment program will offer a more professional type of training than in the past.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

				Changes From:	
	p/ 10-79	r/ 9-79	10-78	9-79	10-78
Nonagricultural Wage & Salary.....	26,800	28,100	24,650	-1,300	2,150
Construction.....	1,550	1,450	1,100	100	450
Manufacturing.....	3,950	4,750	3,400	800	550
Transp.-Comm. & Utilities.....	2,400	2,700	2,100	-3[illegible]	300
Trade.....	3,750	3,950	3,350	-20[illegible]	400
Wholesale Trade.....	400	400	350	0	50
Retail Trade.....	3,350	3,550	3,000	-200	350
Finance-Insurance & Real Estate....	1,150	1,100	1,000	50	150
Mining, Services & Misc.	3,250	3,400	2,800	-150	450
Government 2/.....	10,750	10,750	10,900	0	-150
Federal.....	2,200	2,400	2,550	-200	-350
State.....	4,550	4,550	4,500	0	50
Local.....	4,000	3,800	3,850	200	150

1/ Data in this report cover the following census divisions: Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway–Yakutat, and Wrangell–Petersburg.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

JOB SERVICE APPLICANT AND INSURED UNEMPLOYED CHARACTERISTICS

By Sandy Plotnick

The statewide number of people seeking jobs during the quarter ending in September at Alaska's Job Service Centers decreased from the last quarter. However, an increase occurred in the northern rural areas due to earlier seasonal layoffs in that part of the state.

With students returning to school the percentage of applicants under age 22 dropped slightly. Assisting young people to find summer employment is an important function of all job service centers.

Nome continues like the previous quarter, to have the highest percentage of applicants classified as economically disadvantaged.

As seasonal summer work ends the number of insured unemployed increased by 17 percent from September to October. Men made up 60 percent of the claimants.

More claimants over the month appeared in all industries but the largest increase of claimants appear in the transportation, communications and utilities industries.

ACTIVE APPLICANT CHARACTERISTICS

BY NUMBER AND PERCENTAGE 1/

	Total Number	Percentage of State	Percentage by Sex		Percentage by Ethnic Group					
			Male	Female	White	Black	Hispanic	American Indian	Asian Pacific Islander	INA
State Total	20,408		52	48	73	6	2	17	2	1
Anchorage	8,825	43	46	54	76	10	3	9	2	*
Region I	2,696	13	54	46	67	1	1	22	4	4
Juneau	1,304	6	50	50	66	1	1	23	7	2
Sitka	329	2	48	52	67	1	*	27	3	*
Ketchikan	896	4	58	42	70	1	1	19	2	7
Petersburg	167	1	65	35	66	1	1	18	2	13
Region II	4,538	22	55	45	76	5	2	14	2	1
Fairbanks	4,332	21	55	45	78	5	2	12	2	1
Barrow	206	1	60	40	25	2	1	65	2	4
Region III	390	2	62	38	16	0	1	82	1	1
Nome	313	2	63	37	17	0	1	80	1	1
Kotzebue	77	*	58	42	10	0	0	88	1	0
Region IV	907	4	65	35	5	*	*	91	1	2
Bethel	756	4	65	35	5	*	*	92	1	2
Dillingham	111	1	65	35	8	1	1	86	1	4
Region V	3,052	15	55	45	89	*	1	6	2	2
Mat-Su	1,582	8	54	46	96	*	1	3	1	*
Glennallen	142	1	57	43	77	1	1	15	3	3
Seward	244	1	58	42	84	0	1	10	1	2
Kenai	765	4	56	44	85	*	*	6	4	5
Kodiak	319	2	57	43	75	1	3	17	2	2

ACTIVE APPLICANT CHARACTERISTICS

BY NUMBER AND PERCENTAGE 1/
(continued)

	Total Number	Percentage of Economically Disadvantaged	Percentage by Grade Completed				Percentage by Veteran Groups			
			0-7	8-11	12	over 12	All Vets	Recently Separated	Disabled	Vietnam Era
State Total	20,408	26	3	22	46	28	20	7	1	10
Anchorage	8,825	31	2	21	49	28	20	9	1	11
Region I	2,696	31	1	23	42	33	18	6	1	8
Juneau	1,304	30	1	21	40	37	16	6	1	8
Sitka	329	17	1	23	45	32	15	5	1	8
Ketchikan	896	36	1	27	43	28	22	7	1	8
Petersburg	167	35	2	22	41	35	21	11	1	10
Region II	4,538	16	3	19	47	30	22	8	2	11
Fairbanks	4,332	15	2	19	48	31	22	8	2	11
Barrow	206	35	11	31	42	16	17	4	*	7
Region III	390	69	10	37	40	13	12	3	*	4
Nome	313	77	10	38	41	11	11	3	*	4
Kotzebue	77	34	10	34	36	19	16	1	0	6
Region IV	907	33	28	33	32	7	6	3	*	2
Bethel	796	34	27	33	33	7	6	3	*	2
Dillingham	111	23	37	29	27	7	9	4	1	5
Region V	3,054	19	2	20	48	30	21	7	1	10
Mat-Su	1,582	15	1	21	50	28	22	6	1	12
Glennallen	142	36	3	16	49	32	27	6	2	7
Seward	244	31	4	21	40	35	22	6	1	9
Kenai	765	11	3	20	49	28	17	7	*	7
Kodiak	319	38	5	19	38	38	17	9	0	6

1/ Source: Alaska Department of Labor
Employment Security Automated Reporting System (ESARS)
September 1979, Table 6

*Less than 1%

Percentages May Not Add Due to Rounding

ACTIVE APPLICANT CHARACTERISTICS

BY NUMBER AND PERCENTAGE 1/
(continued)

	Total Number	Percentage by Age Group											
		15 & under	16-17	18-19	20-21	22-24	25-29	30-34	35-39	40-44	45-54	55-64	65 & over
State Total	20,408	1	4	9	10	16	21	13	8	6	8	4	1
Anchorage	8,825	1	4	8	11	16	22	12	7	6	8	4	1
Region I	2,696	1	2	5	5	7	9	7	4	2	4	2	*
Juneau	1,304	2	5	10	10	15	18	14	8	4	9	4	1
Sitka	329	1	8	10	10	15	21	11	9	6	7	3	1
Ketchikan	896	3	4	9	10	16	22	13	7	5	5	3	2
Petersburg	167	2	5	13	10	19	17	16	4	3	8	3	1
Region II	4,538	1	3	8	9	17	23	14	8	6	7	4	1
Fairbanks	4,332	1	3	8	9	16	23	14	8	6	7	4	1
Barrow	206	2	3	11	9	9	20	27	8	5	6	3	0
Region III	390	3	4	10	13	14	15	14	8	5	11	3	0
Nome	313	3	4	11	12	14	14	15	7	5	12	3	0
Kotzebue	77	0	4	5	18	17	18	12	10	6	4	5	0
Region IV	907	*	1	18	14	12	13	9	7	6	14	6	0
Bethel	796	*	1	19	15	12	14	8	7	6	13	6	0
Dillingham	111	2	1	11	9	12	11	12	10	8	19	6	0
Region V	3,052	1	3	7	9	15	22	15	9	5	8	5	1
Mat-Su	1,582	1	5	7	7	13	21	15	9	7	8	6	1
Glennallen	142	1	1	7	4	15	21	19	11	11	6	4	1
Seward	244	7	3	8	11	18	21	10	5	3	7	6	*
Kenai	765	*	2	7	12	17	23	15	9	4	7	3	1
Kodiak	319	0	2	6	13	19	24	13	6	3	10	4	*

HOURS AND EARNINGS IN OCTOBER

By Debbie Berggren

Manufacturing experienced a 14 percent increase in average weekly hours and a 1 percent increase in average hourly earnings. This was caused by the gearing up of crab processors in the food and kindred products sector.

Mining's 2 percent decrease in average weekly earnings was caused by a 4 percent increase in average hourly earnings and a 6 percent decrease in average weekly hours. The increase in average hourly earnings and decrease in average weekly hours was in the coal and lignite mining, and oil and natural gas sectors.

Trade was effected by an overall 1 percent decrease in average hourly earnings and a 3 percent decrease in average weekly hours. This decrease was caused by a 1 percent decrease in average hourly earnings and a 6 percent decrease in average weekly hours in the wholesale sector.

The 2 percent decrease in average hourly earnings and the 6 percent decrease in average weekly hours in the construction sector were due to normal seasonal declines. The seasonal decline was felt the most in the highway construction, electrical work, and miscellaneous special trade sectors.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	AVERAGE HOURLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE WEEKLY EARNINGS		
	p/ 10/79	r/ 9/79	10/78	p/ 10/79	r/ 9/79	10/78	p/ 10/79	r/ 9/79	10/78
MINING	18.31	17.66	14.00	50.7	53.7	49.7	928.32	948.34	695.80
CONTRACT CONSTRUCTION	18.92	19.21	18.93	41.5	44.0	47.4	785.18	845.24	897.28
MANUFACTURING	9.97	9.90	9.21	46.2	39.9	42.1	460.61	395.01	387.74
Food & Kindred Products	6.70	6.69	6.00	48.7	36.8	42.6	326.29	246.19	255.60
Lumber & Paper Products	13.23	13.39	12.15	45.3	45.6	42.3	599.32	610.58	513.95
TRANSPORTATION, COMM. & UTILITIES.	12.95	13.00	11.78	36.8	36.7	38.5	476.56	477.10	453.53
TRADE	8.39	8.45	7.93	34.1	35.1	34.4	286.10	296.60	272.79
Wholesale Trade	10.01	10.10	9.13	37.4	39.8	38.4	374.37	401.98	350.59
Retail Trade	7.77	7.77	7.49	33.0	33.4	33.1	256.41	259.52	247.92
FINANCE, INSURANCE & REAL ESTATE..	--	—	—	--	—	—	255.35	264.99	260.16

1/ Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor

2/ excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	p/ 10/79	r/ 9/79	10/78	p/ 10/79	r/ 9/79	10/78	p/ 10/79	r/ 9/79	10/78	p/ 10/79	r/ 9/79	10/78
Alaska Statewide	183948	188316	179438	14405	12562	18372	7.8	6.7	10.2	169543	175754	161066
Anchorage-Matsu Region	91074	92293	88849	6301	5556	7277	6.9	6.0	8.2	84773	86737	81572
Anchorage	83905	85143	81723	5285	4702	6072	6.3	5.5	7.4	78620	80441	75651
Matanuska-Susitna	7169	7150	7126	1016	854	1205	14.2	11.9	16.9	6153	6296	5921
Gulf Coast Region	21059	22745	20648	1993	2091	2573	9.5	9.2	12.5	19066	20654	18075
Cordova	1142	1202	1098	102	76	112	8.9	6.3	10.2	1040	1126	986
Kenai	10007	10760	9765	1192	1211	1409	11.9	11.3	14.4	8815	9549	8356
Kodiak	4602	5106	4430	281	425	334	6.1	8.3	7.5	4321	4681	4096
Seward	1462	1535	1494	156	120	256	10.7	7.8	17.1	1306	1415	1238
Valdez	3846	4142	3861	262	259	462	6.8	6.3	12.0	3584	3883	3399
Interior Region	24989	25162	25808	2574	2044	4208	10.3	8.1	16.3	22415	23118	21600
Fairbanks	20260	20418	21007	2048	1634	3457	10.1	8.0	16.5	18212	18784	17550
Southeast Fairbanks	1954	1953	2015	203	147	327	10.4	7.5	16.2	1751	1806	1688
Upper Yukon	601	605	616	84	72	118	14.0	11.9	19.2	517	533	498
Yukon-Koyukuk	2174	2186	2170	239	191	306	11.0	8.7	14.1	1935	1995	1864
Northern Region	7642	8122	7824	591	535	743	7.7	6.6	9.5	7051	7587	7081
Barrow-North Slope	2103	2253	2095	145	147	129	6.9	6.5	6.2	1958	2106	1966
Kobuk	2295	2405	2390	223	175	309	9.7	7.3	12.9	2072	2230	2081
Nome	3244	3464	3339	223	213	305	6.9	6.1	9.1	3021	3251	3034
Southeast Region	29145	30335	27014	2145	1648	2705	7.4	5.4	10.0	27000	28687	24309
Angoon	489	499	479	54	37	88	11.0	7.4	18.4	435	462	391
Haines	1005	1039	946	79	56	113	7.9	5.4	11.9	926	983	833
Juneau	10370	10846	9584	665	536	846	6.4	4.9	8.8	9705	10310	8738
Ketchikan	6079	6358	5589	440	366	512	7.2	5.8	9.2	5639	5992	5077
Outer Ketchikan	1108	1116	1002	126	73	118	11.4	6.5	11.8	982	1043	884
Prince of Wales	1622	1701	1530	118	103	176	7.3	6.1	11.5	1504	1598	1354
Sitka	3862	4022	3524	292	228	309	7.6	5.7	8.8	3570	3794	3215
Skagway	1514	1561	1414	128	88	166	8.5	5.6	11.7	1386	1473	1248
Wrangell-Petersburg	3096	3193	2946	243	161	377	7.8	5.0	12.8	2853	3032	2569
Southwest Region	10039	9659	9295	801	688	866	8.0	7.1	9.3	9238	8971	8429
Aleutian Islands	2544	2464	2312	129	119	109	5.1	4.8	4.7	2415	2345	2203
Bethel	3159	3025	2961	286	235	339	9.1	7.8	11.4	2873	2790	2622
Bristol Bay Borough	423	403	392	30	22	34	7.1	5.5	8.7	393	381	358
Bristol Bay	1359	1300	1238	103	80	92	7.6	6.2	7.4	1256	1220	1146
Kuskokwim	969	932	910	121	108	136	12.5	11.6	14.9	848	824	774
Wade Hampton	1585	1535	1482	132	124	156	8.3	8.1	10.5	1453	1411	1326

p/=Preliminary r/=Revised 1978 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

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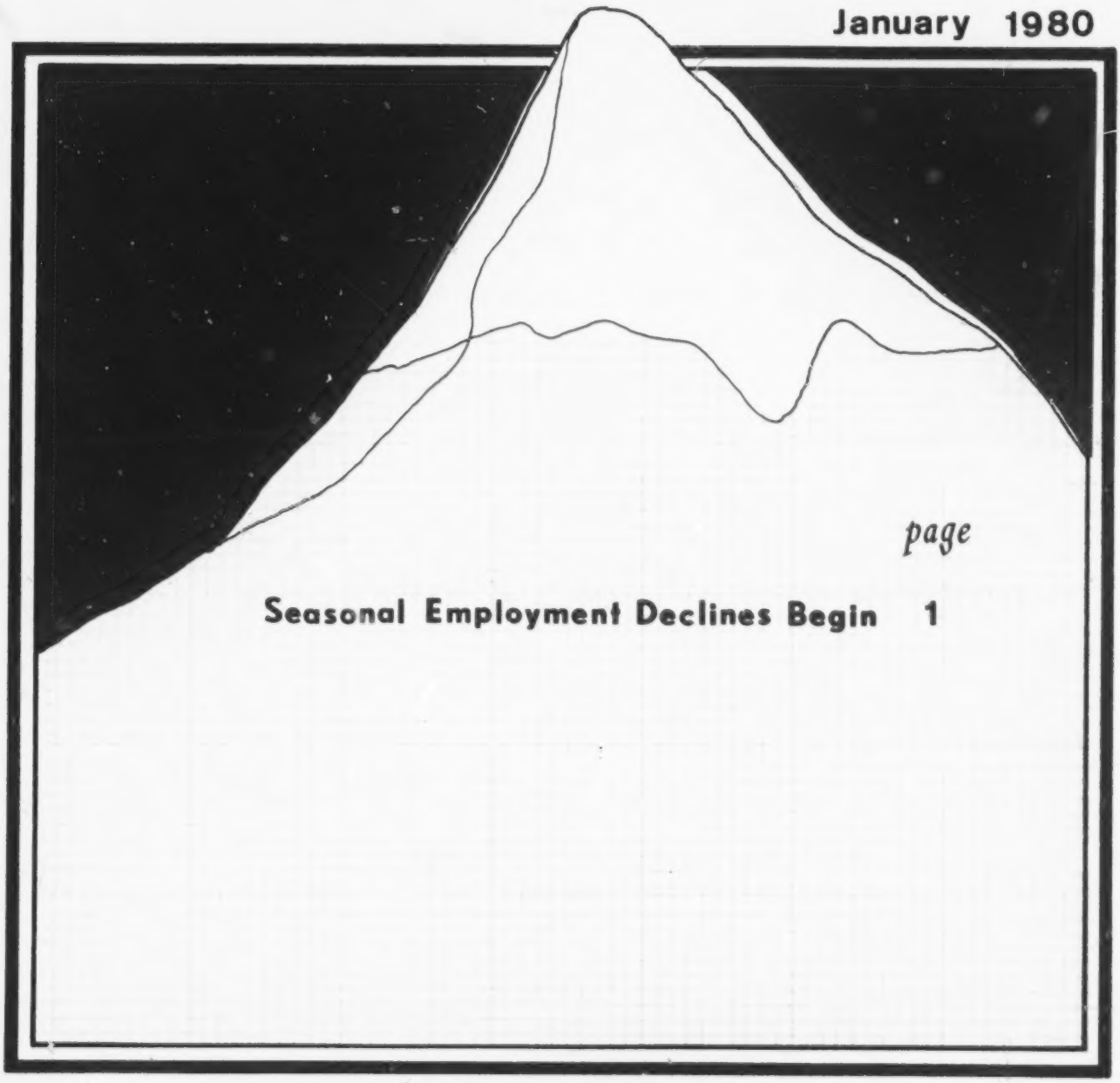
ALASKA ECONOMIC TRENDS

January 1980



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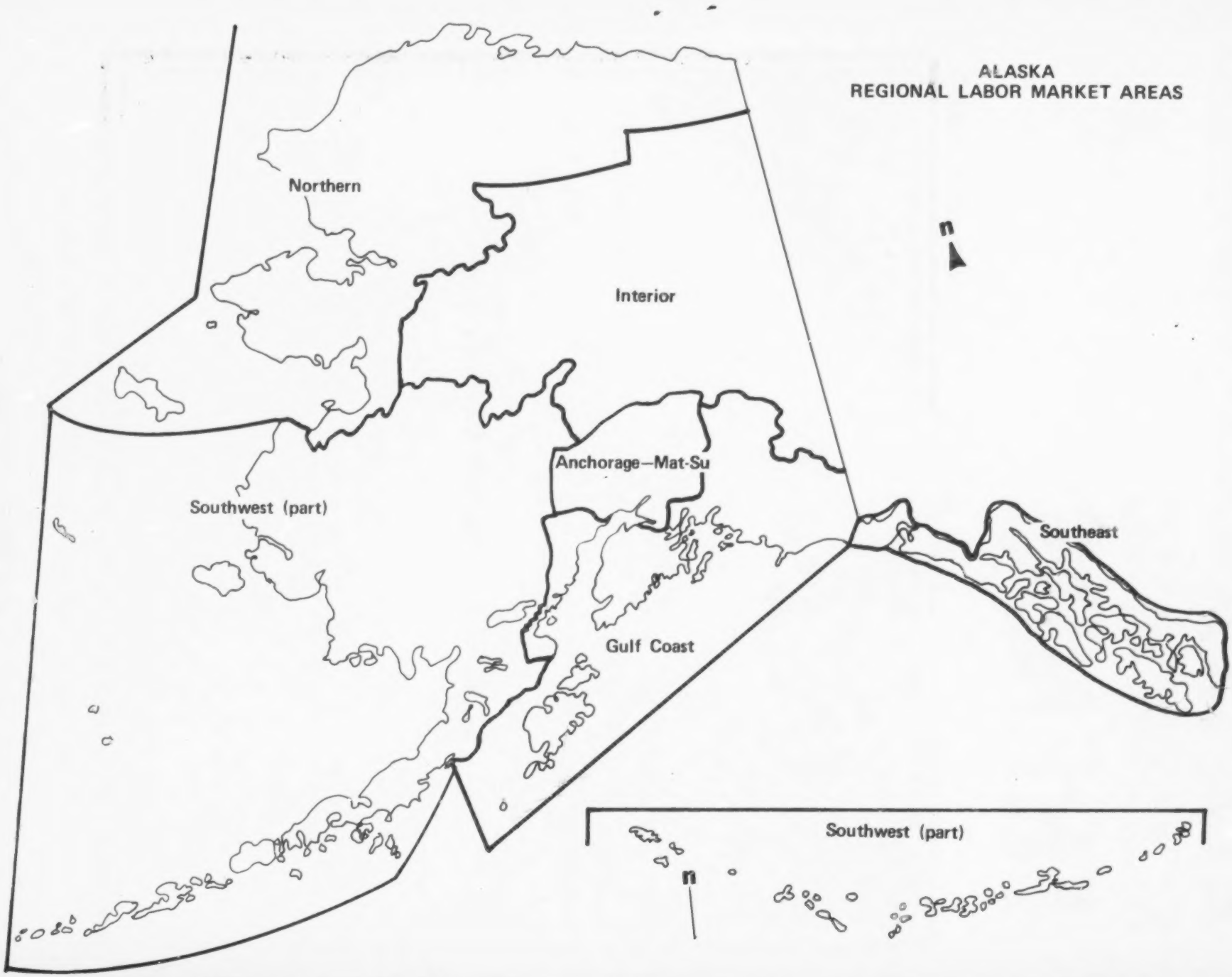
Seasonal Employment Declines Begin 1

STATE OF ALASKA DEPARTMENT OF LABOR
RESEARCH AND ANALYSIS SECTION
JAY S. HAMMOND, GOVERNOR


ALASKA
REGIONAL LABOR MARKET AREAS
Northern
Interior
Anchorage—Mat-Su
Southwest (part)
Southeast
Gulf Coast
Southwest (part)

ALASKA ECONOMIC TRENDS

Jay S. Hammond, Governor
State of Alaska

Edmund N. Orbeck, Commissioner
Department of Labor

John E. Post, Chief
Research and Analysis

January 1980

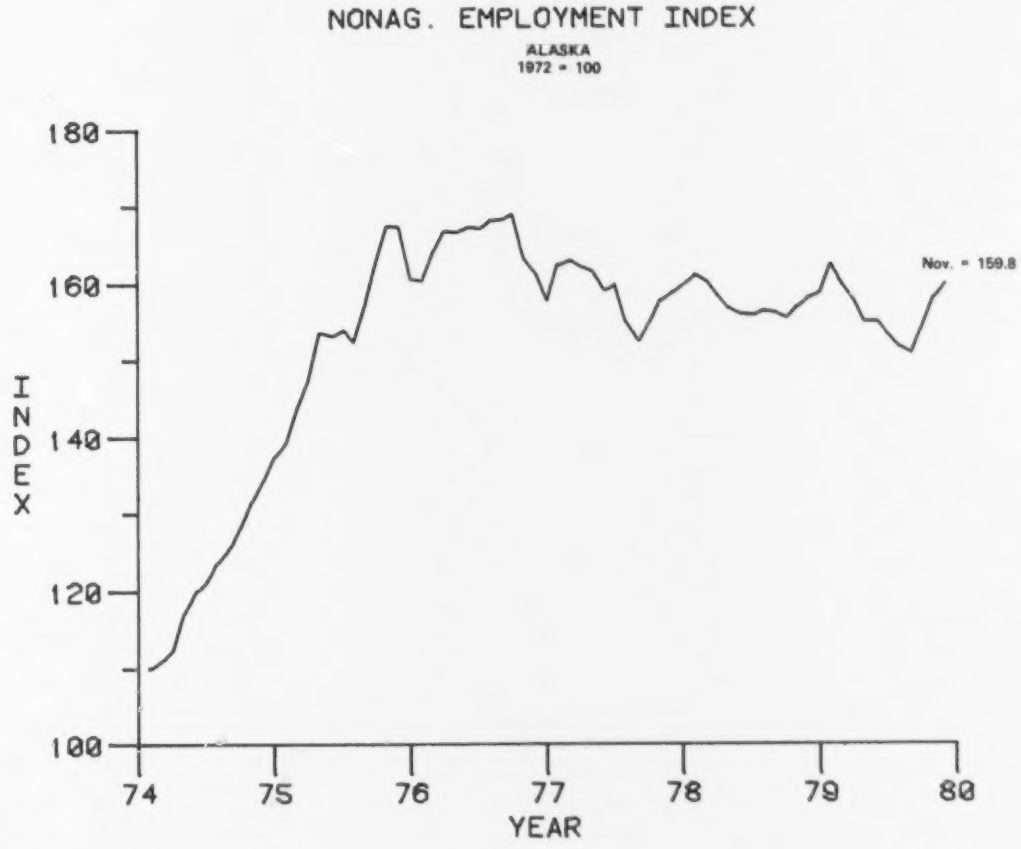
Chris Miller, Editor

ALASKA'S LABOR FORCE IN NOVEMBER

By Sally Saddler

All major industries contributed to a decrease of 5,000 (3.1 percent) wage and salary workers during November. Employment in general building and special trade construction continued to decline (1,200 fewer workers) and encroaching winter weather forced closings on many heavy construction projects resulting in a lack of work for another 1,300 people. Employment in heavy construction remained 20.0 percent above employment last November, while all other construction employment averaged 17.0 percent below year ago levels.

After two months of restricted activity, employment in oil and gas extraction expanded by 100 workers. Land rigs affected by the Roughneck and Driller labor dispute were back in operation early in the month. On the other hand, employment in coal, hardrock, and metallic mining dropped to a level of approximately 300 workers as a result of smaller mining ventures shutting down operations for the season. In spite of spiraling gold prices, Nome-based Alaska Gold Company ran only one dredge again this season because ground thawing operations went too slowly to support a second dredge. November's



increase in oil and gas mining employment (which should expand in the wake of the Beaufort Sea lease sale in December) offset the seasonal loss of all other mining employment for the first time in several years.

Crab harvests dropped around the state contributing to a decline of approximately 700 jobs in food processing. Elsewhere in manufacturing employment, stronger than normal levels of timber-related employment were sustained again this month as a result of native timber sales by three southeast corporations. Forest product activity (which has been above year ago levels) dropped by roughly 200 jobs this month as compared to last year's decline of almost 800 jobs.

Additional jobs with local government were attributed to road maintenance crews who traditionally find work with the onslaught of winter weather.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

				Changes From:	
	11-79 p/	10-79 r/	11-78	10-79	11-78
Nonagricultural Wage & Salary	162,100	167,500	160,800	-5,400	1,300
Mining	5,200	5,200	5,400	0	-200
Construction	9,800	12,300	10,900	-2,500	-1,100
Manufacturing	10,100	11,100	9,500	-1,000	600
Food & Kindred Products	4,800	5,400	5,100	-600	-300
Lumber & Paper Products	3,300	3,500	2,200	-200	1,100
All Other Manufacturing	2,000	2,200	2,200	-200	-200
Transp.-Comm. & Utilities	16,700	17,300	15,900	-600	800
Trucking & Warehousing	2,000	2,000	2,400	0	-400
Water Transportation	1,200	1,400	1,100	-200	100
Air Transportation	4,800	4,900	4,300	-100	500
Other Transp.-Comm. & Utilities	8,700	9,000	8,100	-300	600
Trade	28,800	29,300	28,700	-500	100
Wholesale Trade	5,500	5,600	5,500	-100	0
Retail Trade	23,300	23,700	23,200	-400	100
General Merchandise & Apparel	4,100	4,100	4,500	0	-400
Food Stores	3,400	3,400	3,200	0	200
Eating & Drinking Places	8,300	8,500	7,200	-200	1,100
Other Retail Trade	7,500	7,700	8,300	-200	-800
Finance-Insurance & Real Estate	7,400	7,500	7,700	-100	-300
Services & Miscellaneous	28,800	29,400	27,200	-600	1,600
Government 2/	55,300	55,400	55,500	-100	-200
Federal	18,100	18,100	18,700	0	-600
State	15,000	15,300	14,900	-300	100
Local	22,200	22,000	21,900	200	300

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

ANCHORAGE LABOR FORCE IN NOVEMBER

By Cal Dauel

November is the month when the snow that is going to stay all winter arrives. It is the month of the big seasonal layoffs and the resulting rush through the doors of the local unemployment insurance office. Just as we have noted in earlier months, this year is different. We had a snow free Halloween, and it was not until Thanksgiving that the snow season began. As a result, many layoffs came after our survey week, and November did not exhibit as large a decline as was expected. Another factor was the slow seasonal growth last spring and summer. Since the economy did not show large seasonal growth, small seasonal declines were also expected.

At any rate, November exhibited surprising strength. Total wage and salary employment was above year ago levels for the first time since the early months of 1978. The resulting nonag. index rose to 160.0. Except for one month, this is the highest the index has been since July of 1978. It is too early to say that the slump in the economy has bottomed out, but this is the first encouraging sign we have seen in a while. We need more than one month of positive indicators to prove a change, particularly since a seasonal shift may be the cause.

The construction continues to be the big drag on the economy, but this was expected. Many factors combine to make this a poor year for residential construction. First of all, population has been declining and now at best is stable. The combination of people moving out and new construction has

produced high vacancy rates and little demand. Additionally, high interest rates and a lack of money have made financing difficult. The drop in residential construction has taken other sectors along for the ride. The specialty contractors in particular have been hard hit. Nearly every sector from plumbing to electrical and sheetrocking have had large declines. The highway construction sector keeps the industry from being even more negative.

The forecast for the construction industry is positive, but this is mainly because it sank so low in 1979. Heavy construction is expected to be at about the same employment level this next construction season. Residential construction will not rebound to any new level, but still it seems unlikely that employment will sink any lower.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE

				Changes From:	
	11-79 p/	10-79 r/	11-78	10-79	11-78
Nonagricultural Wage & Salary	77,000	78,350	76,150	-1,350	850
Mining	1,850	1,800	1,850	50	0
Construction	5,350	6,700	5,900	-1,350	-550
Manufacturing	1,600	1,750	1,550	-150	50
Food & Kindred Products	300	300	250	0	50
Other Manufacturing	1,300	1,450	1,300	-150	0
Transp.-Comm. & Utilities	7,900	7,800	8,000	100	-100
Trucking & Warehousing	1,150	1,100	1,300	50	-150
Water Transportation	500	350	300	150	200
Air Transportation	2,600	2,600	2,650	0	- 50
Other Transp.-Comm. & Utilities	3,650	3,750	3,750	-100	-100
Trade	17,550	17,150	16,950	400	600
Wholesale Trade	4,000	4,000	4,050	0	- 50
Retail Trade	13,550	13,150	12,900	400	650
General Merchandise & Apparel	1,800	1,700	1,950	100	-150
Food Stores	1,550	1,500	1,630	50	-100
Eating & Drinking Places	5,150	5,050	3,950	100	1,200
Other Retail Trade	5,050	4,900	5,350	150	-300
Finance-Insurance & Real Estate	4,750	4,800	4,850	- 50	-100
Services & Miscellaneous	15,600	15,800	14,450	-200	1,150
Government 2/	22,400	22,550	22,600	-150	-200
Federal	9,950	10,050	10,100	-100	-150
State	4,900	4,950	4,900	- 50	0
Local	7,550	7,550	7,600	0	- 50

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

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The banking and insurance sectors also show sizable declines. This follows the decline in home construction. Strangely, the real estate sector does not currently show an over-the-year decline, but the end result for the financial industry is a deciine.

Another declining industry is government. The decline is concentrated in the federal sector where the decline is both over-the-month and over-the-year. The decline, though large, is not significant because the industry is so large. Fluctuations as large as 150 employees often occur in the federal sector, but still employment has remained near 10,000 for more than 3 years.

ANCHORAGE MAT-SU LABOR FORCE IN NOVEMBER

By Cal Dauel

The region's unemployment rate continues to be the lowest of the 6 regions of the State. The region has two contrasting census divisions, Anchorage with one of the lowest unemployment rates in the state, and Mat-Su with the highest. Anchorage dominates the statistics because of the size of its labor force. Anchorage is so large in fact, that by itself it is larger than any 4 of the other 5 regions.

Still it is important to consider the 2 contrasting areas together because they are closely related. A portion of Anchorage's employment commutes in from the valley and when they are unemployed they are counted in the valley.

But back to the contrasts, Anchorage is relatively well developed, while Mat-Su is undeveloped. Anchorage has few resources other than its location and population, while Mat-Su has abundant natural resources and potential.

The population of the valley continues to grow as people spill out of Anchorage, but the potential for the valley remains its natural resources. The coming year should show more activity in the area of resource development. The 1980's will see things like the Susitna dam, a port on the north side of the inlet and coal field development.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE-MATSU

				Changes From:	
	p/ 11-79	r/ 10-79	11-78	10-79	11-78
Nonagricultural Wage & Salary.....	80,650	82,350	79,500	-1,700	1,150
Mining.....	1,850	1,850	1,850	0	0
Construction.....	5,750	7,100	6,100	-1,350	-350
Manufacturing.....	1,700	1,850	1,700	-150	0
Transp.-Comm. & Utilities.....	8,200	8,300	8,300	-100	-100
Trade.....	18,300	17,950	17,550	350	750
Finance-Insurance & Real Estate....	4,850	4,900	4,950	- 50	-100
Services & Miscellaneous.....	15,850	16,100	14,850	-250	1,000
Government 2/.....	24,150	24,300	24,200	-150	- 50

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merril Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

FAIRBANKS LABOR FORCE IN NOVEMBER

By Neal Fried

As the temperature in November continued to drop, the unemployment rate moved in the opposite direction, rising by two points. As November ushered in winter, nonagricultural employment dropped off by 4 percent. All industries' employment either declined or remained stable this month. Highway construction was the biggest loser to the elements by dropping more than 50 percent, from 550 workers in October to 241 in November. For example, MB Contractors, the construction company working the Elliot Highway Project, closed down their operation in November. This project is almost entirely finished with some clean up work to be done in the spring.

On the other hand, special trade construction remained stable. This is because most of this work is not as adversely affected by the weather. A large amount of this work is done inside two larger projects, the First National Center and the new Public Safety Building are presently closed in.

The other two industries that have caused a dent in November's employment figures were services and government. Service employment appears to have suffered losses in the small business sector and government, experienced a decline at all levels – federal, state and local. Other more stable industries, such as finance, trade and manufacturing, remained unchanged.

One of these industries that lacks dynamic change and has received little attention is manufacturing. Manufacturing is often considered the engine of an economy and it is the largest employer in the country, providing approximately 24 percent of the nonagricultural employment. Its share of employment had been dropping during the past 30–35 years due to the fact that growth in other industries has been more rapid. This is because productivity has increased in the manufacturing industry and the country's economy is becoming more service industry oriented. Nevertheless, employment in manufacturing has grown over-the-years and this industry will remain the heartbeat of the U.S. economy.

Manufacturing is Alaska's smallest industry and in Fairbanks ranks second to the smallest. Fish processing and lumber provide most of the manufacturing employment in the state and are also responsible for most of the export related manufactured goods (in export dollars this would include petrochemical produced in Alaska. Fairbanks, on the other hand, manufactures little for export. Of the local manufacturing employment, more than 50 percent of it is generated for goods being produced for local consumption.

The manufactured items range from jewelry, fur, clothing and baked goods to refined oil and lumber,

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

				Changes From:	
	11-79 p/	10-79 r/	11-78	10-79	11-78
Nonagricultural Wage & Salary.....	20,300	21,000	21,200	-700	-900
Mining.....	50	50	50	0	0
Construction.....	1,450	1,900	1,650	-450	-200
Manufacturing.....	550	550	500	0	50
Transp.-Comm. & Utilities.....	2,400	2,500	2,700	-100	-300
Trucking & Warehousing.....	350	350	550	0	-200
Air Transportation.....	650	700	650	- 50	0
Other Transp.-Comm. & Utilities..	1,400	1,450	1,500	- 50	-100
Trade.....	3,950	3,950	4,050	0	-100
Wholesale Trade.....	700	700	800	0	-100
Retail Trade.....	3,250	3,250	3,250	0	0
General Merchandise & Apparel..	450	400	450	50	0
Food Stores.....	500	500	450	0	50
Other Retail Trade.....	2,300	2,350	2,350	- 50	- 50
Finance-Insurance & Real Estate....	750	750	850	0	-100
Services & Miscellaneous.....	3,650	3,700	3,750	- 50	-100
Government 2/.....	7,500	7,600	7,650	-100	-150
Federal.....	2,300	2,350	2,600	- 50	-300
State.....	3,100	3,150	3,000	- 50	100
Local.....	2,100	2,100	2,050	0	50

1/ Data contained in this report covers the Fairbanks Census Division.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark data March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

from 1–2 person operations to more than 100. There are approximately 32 manufacturing establishments in Fairbanks. Of these, only 5 have more than 25 employees. One of Fairbanks' major manufacturers is the Fairbanks Daily News Miner (Fairbanks' only daily newspaper) and its printing outlet. Newspapers may not often be thought of as manufacturers, but a large percentage of newspapers are normally responsible for the actual physical production of the paper and, therefore, have been nationally classified as such. Another more obvious manufacturer in Fairbanks is Northland Wood Products, which employs approximately 24 individuals and processes logs from the Tanana Valley area into a more finished product. Both of these manufacturers produce most of their goods for local consumption. A manufacturer that produces for both the local market and export is Fairbanks Machine and Steel with 30 employees. According to its president, Dennis Osterdock, approximately 50 percent of its orders (steel tanks and other steel fabrications) come from the bush and Prudhoe Bay. The North Pole Refinery is another major employer (70 employees) in the industry in Fairbanks, producing heating oil and jet fuel. The refinery supplies more than 90 percent of the jet fuel used at the Fairbanks International Airport and a large percentage of its jet fuel production is earmarked for export. The refinery began supplying international flights (JAL and Korean Airlines) in May 1979, and just this month signed a long term contract (2 years with JAL). Since these carriers have been making fuel stops in Fairbanks, fuel consumption at the Fairbanks airport increased by 300 percent from the previous month and has remained at those levels.

North Pole Refinery at this time is expanding its fuel production capacity and is looking into the possibility of producing gasoline for the local market. This is considered an export of a manufacturing good since it is locally produced and sold to customers who use the product outside the local Fairbanks market. This would also include flights destined for the bush. Jet fuel is also being supplied to the military which could also be considered an exporting of locally manufactured goods, because the military is providing defense to the entire country.

Most of the manufacturers, large and small, produce in varying quantities, both for the local market and outside markets. Despite some recent setbacks (closing of Santa's Bakery), manufacturing employments may very well grow in the near future.

As the price of fuel continues to increase elsewhere in the country at a more rapid rate than in Alaska, transportation costs will become an even larger factor in the price of imported goods. Despite the limitations of the size of the local market, this could have the possible affect of making it economically viable to substitute a larger array of locally produced goods for what are now imported. An export oriented market may also lend itself to possibilities in the future.

INTERIOR ALASKA'S LABOR FORCE IN NOVEMBER

By Neal Fried

November's unemployment rate of 12.8 percent for the Interior has given this area the distinction in 1979 of having the highest rate for ten months out of eleven. This does not signify any major change in Interior's unemployment picture because it has had the highest rates for the past two years. Despite these high unemployment rates there have been some signs of optimism in the rural interior.

The unemployment rates peaked in 1978 and have now dropped below 1977 levels. A dropping unemployment rate does not necessarily indicate an improvement in the economy but could mean there are a growing number of discouraged workers and there has been outmigration and fewer people competing for a limited number of jobs. This has been the case in Fairbanks' economy, however, in the remainder of the Interior there are other indications such as wage and salary employment pointing to a slight improvement over last year.

One of the industries that has been responsible for this small rally is construction – school construction. Unlike Fairbanks where construction employment continued to drop off in 1979 the balance of Interior's, though small, more than doubled during the summer season. The implementation of the Molly Hootch count case of 1976 which gave the directive that high school students should be able to attend high school in their own locality, is largely responsible. To guaranty this would happen it was necessary that a large number of new schools be built and it was not until the summer season of 1979 that this program went into full swing. By the end of this project approximately 115,000,000 dollars will be spent on school construction throughout the bush.

For the Interior and the state as a whole it appears the 1979 construction season marked the peak of this activity. In the Interior 7 schools and additions with

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
INTERIOR

				Changes From:	
	11-79 p/	10-79 r/	11-78	10-79	11-78
Nonagricultural Wage & Salary.....	23,800	24,800	24,600	-1,000	-800
Mining.....	200	200	150	0	50
Construction.....	1,750	2,300	1,750	-550	0
Manufacturing.....	550	600	500	- 50	50
Transp.-Comm. & Utilities.....	3,300	3,450	3,450	-150	-150
Trade.....	4,200	4,250	4,500	- 50	-300
Finance-Insurance & Real Estate....	850	850	950	0	-100
Services & Miscellaneous.....	3,900	4,000	4,000	-100	-100
Government 2/.....	9,050	9,150	9,300	-100	-250

1/ Data contained in this report covers the Upper Yukon census division, the Yukon-Koyukuk census division, the Southeast Fairbanks census division and the Fairbanks census division.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

a combined value of 10 million dollars were completed (85%–100% complete) in the 1979 season. This includes schools in the villages and towns of Minto, Ruby, Arctic Village, Tok, Venetie, Anderson and Cantwell. A number of other smaller projects (less than 500,000 dollars) were also completed during this construction season. Schools in Huslia and Nulato worth 2 million and 1 million dollars respectively were 50 percent completed this year. Four other projects worth more than 500,000 dollars were also 50 percent completed. The total dollar value of all these school projects in the Interior is approximately 25 million dollars over the construction seasons 1978–1980. It is possible that future monies may be appropriated for school construction during this legislative session, but it is unlikely the coming construction season will see any of it.

Speaking with school officials, contractors and others it has been difficult to gauge the amount of local employment involved in these projects. Almost all of the contractors originate out of Fairbanks and Anchorage and a large portion of the skilled work force also did. If large numbers of local people were also hired then the construction certainly would have had a very positive effect on employment in Interior villages. Additional skills may have also been acquired making local hire more likely in future construction projects. With these new schools additional staff will be needed and will provide unlimited numbers of full-time jobs which continue to be rare in many of the towns and villages in the interior. Further into the future when more of the teachers and administrators originate from these local areas the importance of schools providing permanent employment will be far greater.

SOUTHEAST ALASKA'S LABOR FORCE IN NOVEMBER

By Jan McElroy

The month of November in Southeast has been very slow as far as industrial news, so not much can be said regarding changes in employment, except to note that there was a drop in all industries. One of the factors causing the employment decline was the high winds that hit all of Southeastern in mid-November causing power outages, damage to boats, planes and trailer homes. It also interrupted airline services and caused some delays in shipping.

In Wrangell, work started on a new State airport and highway equipment building. At present a crew is working on the security fence now required in front of the airport building. The foundation construction has begun and the excavation and cement work will have been completed by the end of November. There are 6 to 8 workers on the job, and there will be additional employment by the sub-contractors on the project. The 60' X 60' prefabricated building will be erected by the end of December with the interior work to be finished by the end of February. Also in Wrangell, Alaska Lumber and Pulp has finalized plans for a new mill at the 6 mile site. Construction will be started in the spring and is to be completed by April 1981.

Near Ketchikan the Herring Bay Lumber Company had a costly fire, between $150,000 and $200,000, that destroyed one third of their mill. At present they are doing what work they can with the facility they have left.

The White Pass and Yukon Railway employees have to wait another month before getting their retroactive pay checks. The railroad was forced to delay payment of the $1.4 million in retroactive pay owed some 100 Skagway-based train workers. A cash shortage forced them to renogotiate the date until December 20th. The delay was due to heavy losses by the railway suffered in September and October when the strike at the Cyprus-Anvil mine was in progress. The railway earlier this week paid $650,000 in retroactive salaries to about 60 members of the United Transportation Union settling a year long labor dispute. The railway employs over 175 persons in Skagway, providing an average monthly payroll over $600,000. The railway has lost over one million dollars this year because of the exchange rate decline between Canadian and U.S. currency. The operating loss for 1979 has been projected to about $3.6 million. In spite of all this, officials say the trains will continue to run in 1980.

In Ketchikan, the Gateway Opportunity Center, funded by the State Division of Vocational Rehabilitation, is a sheltered workshop where handicapped individuals can learn skills necessary to hold a job or actually work on some jobs without the pressures that might occur in a normal working environment. It can efficiently provide programs for 25 clients when there are residential facilities or support facilities to handle that many. Not all of the clients require 24 hour support. The residential funds come from the Division of Developmental Disability, another State agency.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

	p/ 11-79	r/ 10-79	11-78	Changes From: 10-79	11-78
Nonagricultural Wage & Salary.....	25,650	26,800	23,450	-1,150	2,200
Construction.....	1,250	1,550	950	-300	300
Manufacturing.....	3,600	3,950	2,600	-350	1,000
Transp.-Comm. & Utilities.....	2,250	2,400	1,950	-150	300
Trade.....	3,700	3,750	3,250	- 50	450
Wholesale Trade.....	400	400	350	0	50
Retail Trade.....	3,300	3,350	2,900	- 50	400
Finance-Insurance & Real Estate....	1,150	1,150	1,000	0	150
Mining, Services & Misc.	3,150	3,250	2,750	-100	400
Government 2/.....	10,550	10,750	10,950	-200	-400
Federal.....	2,150	2,200	2,500	- 50	-350
State.....	4,400	4,550	4,450	-150	- 50
Local.....	4,000	4,000	4,000	0	0

1/ Data in this report cover the following census divisions, Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway-Yakutat, and Wrangell-Petersburg.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

HOURS AND EARNINGS IN NOVEMBER

By Debbie Berggren

The closing of the year brought increases in the average hourly earnings. This could be caused by the seasonal layoff of lowered paid employees, cost of living raises, and year end bonuses.

Mining experienced a 4.8 percent increase in average hourly earnings. The increase was in the oil and gas extraction sector.

Contract construction workers earned an average of $19.20, an increase of 37 cents over October. The increase in the average hourly earnings was primarily in the special trades sector. The nonresidential buildings construction and heavy construction sectors contributed to the 16.9 percent decrease in average weekly hours.

Manufacturing experienced a 14.5 percent increase in the average hourly earnings and a 16.3 percent decrease in average weekly hours. The drop in hours was mainly in the food and kindred products sector. Lumber and paper products sector experienced a 55 cent increase in the average hourly earnings and a 4.3 hour drop in the average weekly hours.

The transportation industry was also effected by the seasonal downturn. The average weekly hours decreased by 6.5 percent or 4.3 hours. The telephone communication and radio and television broadcasting sectors weighed heavily in this decrease.

Trade was effected by a 1.8 percent decrease in average hourly earnings and a 1.5 percent decrease in average weekly hours. Wholesale trade experienced a 5.9 percent decrease in average hourly earnings and a 3.3 percent increase in the average weekly hours. Retail trades 3.4 percent increase in average weekly hours was greatly influenced by the miscellaneous home furnishings stores and retail stores sectors.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	AVERAGE HOURLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE WEEKLY EARNINGS		
	p/ 11/79	r/ 10/79	11/78	p/ 11/79	r/ 10/79	11/78	p/ 11/79	r/ 10/79	11/78
MINING	19.25	18.32	16.30	51.7	50.7	43.6	995.23	928.82	710.68
CONTRACT CONSTRUCTION	19.20	18.83	19.39	36.7	42.9	42.8	704.64	807.81	829.89
MANUFACTURING	11.47	9.81	8.66	38.7	45.0	41.7	443.89	441.45	361.12
Food & Kindred Products	7.57	6.71	5.87	37.4	48.3	41.9	283.12	324.09	245.95
Lumber & Paper Products	13.35	12.80	11.80	38.2	42.5	41.9	509.97	544.00	494.42
TRANSPORTATION,COMM. & UTILITIES	12.86	12.95	11.74	34.0	36.2	35.8	437.24	468.79	420.29
TRADE	8.19	8.34	8.24	33.7	34.2	33.6	276.00	285.23	276.86
Wholesale Trade	9.48	10.04	8.90	39.0	37.7	38.6	369.72	378.51	343.54
Retail Trade	7.67	7.69	7.98	31.9	33.0	32.0	244.67	253.77	255.36
FINANCE,INSURANCE & REAL ESTATE	--	--	--	--	--	--	277.61	265.78	255.67

1/ Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor

2/ excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

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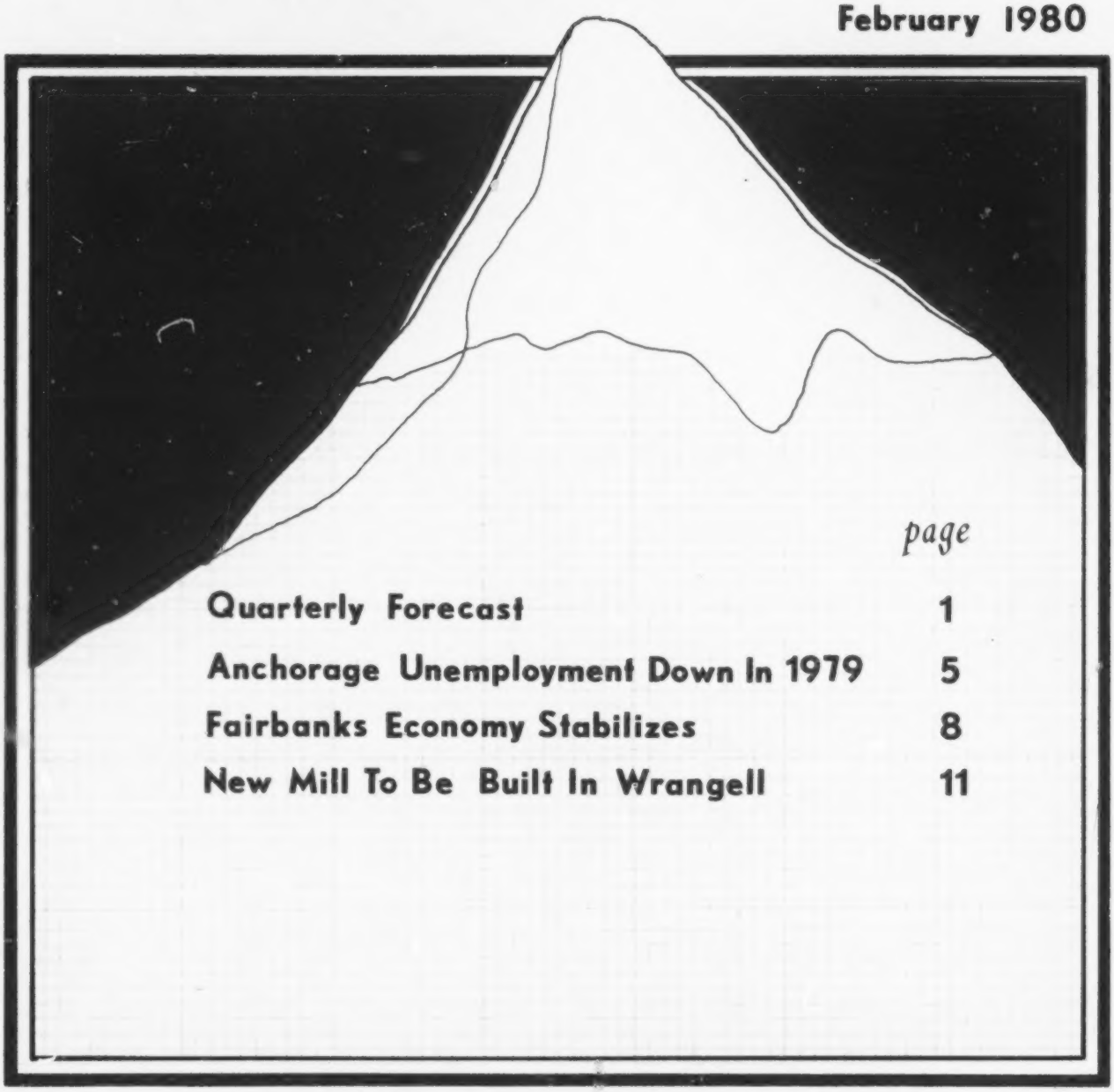
ALASKA ECONOMIC TRENDS

February 1980



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STATE OF ALASKA DEPARTMENT OF LABOR
RESEARCH AND ANALYSIS SECTION
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ALASKA ECONOMIC TRENDS

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February 1980

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EMPLOYMENT FORECAST

By Steve Harrison

INTRODUCTION

Indications are that Alaska's economy will experience moderate but continuous growth over the coming two years. The basic pace-setting industries which bring money into the state are expected to make substantial gains. Nonbasic support industries should gradually begin to follow the growth trends established by basic industries. The high profile, high stimulus projects now in the news will probably not begin to heat the Alaska economy before 1983. For example, construction of the proposed gas pipeline is not likely to begin during the forecast period. Several fundamental decisions remain to be made even before manufacture of pipe sections can begin. In the Governor's January 17th Budget Address major appropriations were outlined for Capital Improvement projects: $162 million for general capital improvements, $353 million for transportation, $300 million for accelerated Native Claims Settlement Payment.

BASE INDUSTRIES

The basic tempo of Alaska economic activity is largely shaped by mining, manufacturing, and government. These three basic industries bring dollars into the Alaska economy. The mining and manufacturing industries export minerals, fish, and wood products to outside markets; while government in Alaska is largely sustained by federal money and state oil revenues. Growth in these industries is usually accompanied by growth in support industries such as trade, services, and construction. The outlook is good for increased activity in the basic industries through 1982.

The mining industry provides major economic stimulus in Alaska. We expect to see a 4 percent increase per annum in mining employment over the next 2 years. National energy policy will continue to heighten oil exploration in the 49th state (strong interest was shown in the recent Beaufort Sea lease sale. Exploration activities in the state will continue full scale). The mining industry raises economic activity in several significant ways. The industry stimulates construction activity, adds directly to state revenues, and creates need for transportation systems (such as the Trans-Alaska Pipeline, and the proposed gas line). Although comprising only 3 percent of statewide employment, the mining industry will contribute significantly to the state economy throughout the forecast period.

Employment growth in manufacturing is expected to be moderate over the forecast period. Although record salmon runs are anticipated, demand for final fish products is expected to be weak due to a surplus remaining from the 1979 catch. In view of this situation harvesters may have to accept lower prices this year for their catch. Thus, as stockpiles build, increasing quantities of fish may be canned rather than frozen in order to increase shelf-life. In the past nearly all Alaska salmon has been marketed to the Japanese but state efforts are now underway to break into European and other markets. New processing plants for salmon and bottomfish should also be coming into operation during the forecast period. The wood products industry will not grow as rapidly as food processing. However, logging activity will increase as native corporations begin harvesting their timberlands. The Goldbelt Corporation recently announced a Port Houghton sale for 1980. The federal government, however has not announced plans to make any major new tracts of timber land available in the near future.

Government will expand slowly during the forecast period. Employing one out of three working Alaskans, the public sector will grow most rapidly at the local level and least rapidly at the federal level.

NONBASIC INDUSTRIES

The nonbasic industries are largely dependent upon the basic industries for growth. The construction industry has now reached its low point following the post-pipeline decline. Construction activity should increase over reduced 1979 levels as more money is made available for building and local projects are initiated. The budget surplus in combination with an election year will create a more favorable climate

STATEWIDE
February, 1980

LABMOD PROJECTIONS TO 1981
POPULATION, WAGES AND SALARIES & EMPLOYMENT

	1979					1980					1981				
	Qtr 1*	Qtr 2*	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave
Population (July 1) 1/			409,607					419,155					429,509		
Total Nonag. Wages & Salaries ($1,000's)	776,437	866,256	951,075	932,098	888,908	891,372	989,950	1,067,950	1,043,950	998,214	996,913	1,115,650	1,199,450	1,181,220	1,123,310
Average Quarterly Earnings	4,987	5,131	5,509	5,610	5,375	5,510	5,719	5,944	6,053	5,807	5,961	6,179	6,412	6,529	6,270
Total Nonag. Wage & Salary Employment	155,698	168,817	172,647	166,156	165,189	161,772	173,092	179,597	172,461	171,731	167,228	180,566	187,073	180,925	178,948
Mining	5,642	5,903	5,702	5,445	5,614	5,964	6,321	6,686	6,394	6,341	6,511	7,400	7,563	7,276	7,188
Construction	7,461	9,846	12,740	10,453	10,014	8,690	11,586	14,253	11,254	11,446	9,720	13,120	15,787	12,786	12,853
Manufacturing	7,800	13,139	15,252	11,060	11,603	9,779	12,902	15,818	11,680	12,545	10,411	13,531	16,412	12,324	13,170
Transp./Comm./Utilities	15,609	16,726	17,598	16,393	16,566	15,992	17,114	18,107	16,987	17,050	16,286	17,663	18,810	17,397	17,539
Transportation	10,016	11,081	11,626	10,535	10,761	10,128	11,043	11,853	10,844	10,967	10,333	11,498	12,430	11,149	11,353
Communications	4,214	4,224	4,454	4,349	4,350	4,424	4,593	4,669	4,567	4,563	4,447	4,621	4,728	4,606	4,601
Public Utilities	1,379	1,421	1,518	1,509	1,455	1,440	1,478	1,585	1,576	1,520	1,506	1,544	1,652	1,642	1,586
Trade	28,168	29,777	30,635	29,938	29,489	29,025	30,166	31,374	30,574	30,285	29,669	31,105	32,374	31,600	31,187
Wholesale	5,289	5,679	5,842	5,520	5,555	5,381	5,660	6,007	5,599	5,662	5,451	5,738	6,145	5,658	5,748
Retail	22,879	24,098	24,793	24,418	23,934	23,644	24,506	25,367	24,975	24,623	24,218	25,367	26,229	25,942	25,439
Finance/Insurance/Real Estate	8,093	8,208	8,738	8,603	8,469	8,590	8,657	8,859	9,001	8,777	8,814	9,372	9,715	9,883	9,446
Services	27,558	28,657	30,440	28,085	28,717	27,744	29,357	31,040	28,664	29,201	28,403	29,977	31,690	30,291	30,090
Government (Civilian)	54,885	55,814	50,688	55,769	54,126	55,483	56,407	52,648	57,538	55,519	56,951	57,857	53,950	59,040	56,950
Federal	17,516	17,816	18,556	17,938	18,022	17,651	18,169	18,644	18,026	18,123	17,740	18,257	18,732	18,114	18,211
State	14,651	15,041	15,185	15,459	15,107	15,146	15,626	15,681	15,954	15,602	15,641	16,121	16,176	16,449	16,097
Local	22,718	22,956	16,947	22,372	20,997	22,686	22,612	18,323	23,558	21,795	23,570	23,479	19,042	24,476	22,642
Miscellaneous	482	747	854	410	592	504	582	813	369	567	463	541	771	328	526

1/ Employment based population estimates.
* Actual employment data.

ANCHORAGE
February, 1980

LABMOD PROJECTIONS TO 1981
POPULATION, WAGES AND SALARIES & EMPLOYMENT

	1979					1980					1981				
	Qtr 1*	Qtr 2*	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave
.ion (July 1) 1/			196,063					200,969					207,775		
Nonag. Wages & Salaries ($1,000's)	377,313	400,386	440,998	437,460	419,338	419,230	459,952	489,688	487,273	464,186	467,852	516,257	552,351	544,842	520,326
age Quarterly Earnings	5,124	5,164	5,495	5,577	5,374	5,496	5,689	5,899	5,994	5,769	5,924	6,129	6,349	6,453	6,214
Nonag. Wage & Salary Employment	74,919	77,540	80,248	78,446	77,977	76,285	80,848	83,007	81,398	80,385	78,969	84,233	86,994	84,428	83,656
ning	1,840	1,867	1,882	1,797	1,847	1,968	2,086	2,206	2,110	2,093	2,149	2,442	2,496	2,401	2,372
nstruction	4,471	5,662	6,621	5,583	5,480	4,589	5,959	7,391	6,380	6,080	5,312	6,671	8,086	6,941	6,753
ufacturing	1,393	1,709	2,398	1,769	1,846	1,571	1,912	2,277	1,835	1,899	1,637	2,005	2,363	1,934	1,985
nsp./Comm./Utilities	7,587	7,877	8,573	7,832	8,002	7,553	8,156	8,713	8,045	8,117	7,699	8,461	9,071	8,266	8,374
ransportation	5,432	5,870	6,174	5,595	5,743	5,379	5,865	6,295	5,759	5,825	5,488	6,106	6,601	5,921	6,029
mmunications	1,584	1,563	1,765	1,628	1,655	1,591	1,674	1,758	1,652	1,669	1,602	1,707	1,785	1,685	1,695
ublic Utilities	571	444	634	609	604	583	617	660	634	624	609	648	685	660	651
e	16,936	17,218	17,758	17,589	17,410	17,340	17,886	18,410	18,376	18,003	18,168	19,051	19,767	19,327	19,078
olesale	3,946	4,061	4,287	4,051	4,093	3,949	4,153	4,337	4,109	4,137	4,000	4,211	4,423	4,151	4,196
tail	12,990	13,157	13,471	13,538	13,317	13,391	13,733	14,073	14,267	13,866	14,168	14,840	15,344	15,176	14,882
nce/Insurance/Real Estate	4,900	4,910	5,232	5,151	5,088	4,990	5,241	5,393	5,260	5,221	5,158	5,374	5,635	5,548	5,429
ices	15,288	15,129	16,447	16,069	15,905	15,439	16,264	16,826	16,448	16,244	15,735	16,607	17,331	16,781	16,614
rnment (Civilian)	22,083	22,511	20,591	22,298	21,874	22,395	22,836	21,081	22,622	22,234	22,707	23,150	21,571	22,944	22,593
deral	9,672	9,633	10,139	9,851	9,903	9,746	10,024	10,214	9,926	9,978	9,821	10,100	10,288	10,000	10,052
ate	4,725	4,700	4,874	4,925	4,831	4,807	4,880	4,956	5,007	4,913	4,889	4,962	5,038	5,089	4,995
cal	7,686	8,177	5,578	7,522	7,141	7,842	7,932	5,911	7,689	7,344	7,997	8,088	6,245	7,855	7,546
ellaneous	421	657	746	358	517	440	508	710	322	495	404	472	674	286	459

Employment based population estimates.
Actual employment data.

for initiation of new construction. The third largest industry in Alaska, services, will experience a steady 2 to 3 percent employment growth rate. Trade is projected to increase 3 percent per year. Jobs in the finance, insurance, and real estate sector will expand by 4 to 8 percent in aggregate. The transportation industry is forecasted to increase by 3 percent per annum between 1980 and 1982.

Alaska's economy is expected to advance smoothly through the first two years of this decade. During the forecast period, Alaskans will ready themselves for the coming years of rapid growth which appear to be just around the corner.

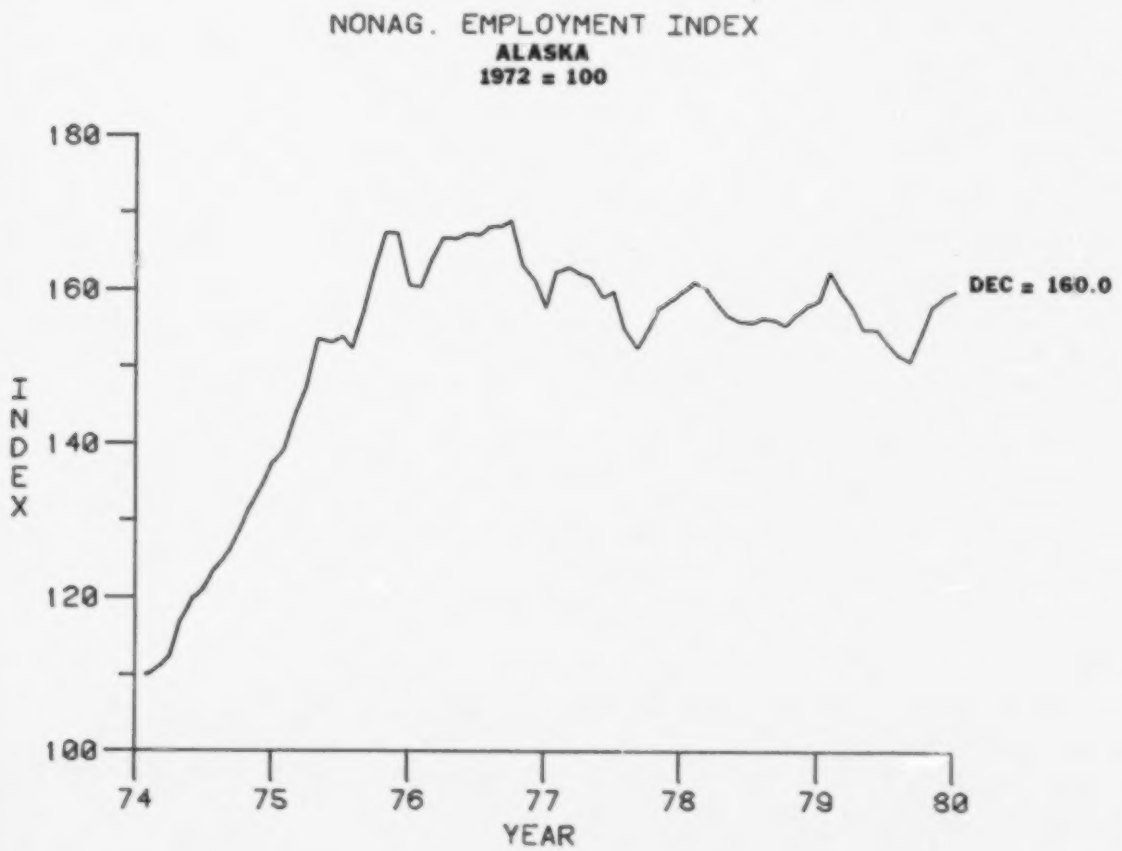
The accompanying labor forecasts are identical to the projections appearing in the November 1979 Trends. These forecasts compare very closely with actual second quarter 1979 figures and preliminary third quarter figures. We did not re-run the model this quarter due to the close correspondence with actual data and because we believe our assumptions are still reasonably sound.

ALASKA'S LABOR FORCE IN DECEMBER

By Sally Saddler

Despite an improvement in the annual average unemployment rate, Alaska ended the year with the dubious distinction of having the nation's highest unemployment rate. A modest growth in employment of 2 percent is expected for 1979 when final numbers become available. Headlining this year's employment highlights was construction's diminished share of total employment resulting from the absence of pipeline influence and rising interest rates. Increasing interest dampened employment prospects in residential and nonresidential building along with heavy construction projects in the private sector.

Bolstered by exceptional salmon runs in parts of the state, employment in the processing and manufacture of food products was more than 55 percent of total manufacturing employment. Restricted activity in forest product related industries as a result of the unresolved land issue helps explain the growing share of food processing related employment.



During December, wage and salary employment declined by 2.6 percent (3,855 workers). Contributing substantially to the total decline was a loss of 1,400 construction jobs attributed to layoffs in heavy construction and special trade work.

Manufacturing employment dropped by nearly 1,400 workers. Two thirds of the decline occurred in forest product industries (800 fewer workers). While this was a large drop compared to year ago figures, it does not suggest a weakening trend in this industry. Seasonal declines over the past two months were minimal (due in part to stepped up logging activity by several southeast native corporations) and December's drop reflected much of the anticipated decline of previous months.

Expansion of retail trade employment during the holiday season by 300 workers was the only industry to undergo an increase.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

				Changes From:	
	12-79 p/	11-79 r/	12-78	11-79	12-78
Nonagricultural Wage & Salary.....	157,700	162,000	156,600	-4,300	1,100
Mining.....	5,100	5,200	5,200	-100	-100
Construction.....	7,900	9,300	8,700	-1,400	-800
Manufacturing.....	8,400	9,800	8,700	-1,400	-300
Food & Kindred Products.....	4,000	4,500	4,500	-500	-500
Lumber & Paper Products.....	2,500	3,300	2,100	-800	400
All Other Manufacturing.....	1,900	2,000	2,100	-100	-200
Transp.-Comm. & Utilities.....	16,100	16,800	15,500	-700	600
Trucking & Warehousing.....	1,800	2,000	2,300	-200	-500
Water Transportation.....	1,000	1,300	1,000	-300	0
Air Transportation.....	4,700	4,800	4,200	-100	500
Other Transp.-Comm. & Utilities..	8,600	8,700	8,000	-100	600
Trade.....	29,000	28,900	28,800	100	200
Wholesale Trade.....	5,300	5,500	5,400	-200	-100
Retail Trade.....	23,700	23,400	23,400	300	300
General Merchandise & Apparel..	4,400	4,200	4,600	200	-200
Food Stores.....	3,500	3,400	3,300	100	200
Eating & Drinking Places.....	8,300	8,200	7,100	100	1,200
Other Retail Trade.....	7,500	7,600	8,400	-100	-900
Finance-Insurance & Real Estate....	7,200	7,500	7,700	-300	-500
Services & Miscellaneous.....	29,100	29,100	26,800	0	2,300
Government 2/.....	54,900	55,400	55,200	-500	-300
Federal.....	18,000	18,100	18,600	-100	-600
State.....	14,700	15,000	14,700	-300	0
Local.....	22,200	22,300	21,900	-100	300

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Employment in hardrock and mineral mining declined by 100 workers.

The number of oil and gas drilling permits issued this month increased substantially in the wake of the offshore lease sale. Even with 19 active rigs on the North Slope and Cook Inlet Basin, oil and gas mining employment remained unchanged from last month. Bids from this month's Beaufort Sea lease sale amounted to just over $1 billion (high bonus money) for tracts in scattered parts of the lease area. While this resulted in little impact on this month's employment, it does point to a continuing interest in oil and gas exploration which should translate into drilling activity in the new year.

ANCHORAGE LABOR FORCE IN DECEMBER

By Cal Dauel

The unemployment rate rose to 7.5 percent in December. This is the highest it has been since last April. The rate bottomed out at 5.5 percent in September and has been rising since. The rise is seasonal and does not at first glance depict the overall decline in the unemployment rate. The preliminary annual average unemployment rate for 1979 is 7.2 percent compared to 8.3 percent in 1978. The estimate of total unemployment also shows a decline. The annual average estimate in 1979 was 6,000 compared to 6,750 in 1978. The claims load at the local unemployment insurance office had a similar decline. There are fewer people collecting compensation for being unemployed. Two more things have happened which have reduced the ranks of the officially unemployed: 1) they have left the area and, 2) they have no recent earnings and have dropped out of the labor force. At any rate, they didn't go back to work.

Our best indicator of employment is our wage and salary employment series, and it is not showing growth. It gave us a momentary positive signal last month, but it is once again negative in December. Total wage and salary employment is 450 below last December's level. This could still be considered a positive sign. Employment was further below year-ago levels earlier in the year, and is now edging up to the last year's level. The nonag. index, which is seasonally adjusted, tells the same story. The index began the year in January at 161.3, fell most of the year until it rested at 157.0 in September, rose momentarily in October and November, and finally

eased out of the year in December at 158.3. The year produced more monthly declines than increases in the index; furthermore, it ended the year with a decline. Still the index ended the year above its lowest point and leaves an optimistic outlook for 1980.

There are not many bright spots when looking at employment by industry. Mining ended the year below where it started in January, but it went out on the rise. It is expected to show growth during 1980 because of increased activity in both the oil and hardrock sectors. Mining is a basic industry, and growth here will produce growth throughout the economy. ARCO is considering a new addition to its office complex. The proposed 14 story tower would give a boost to the construction industry in the next couple of years.

Another potential bright spot may be the construction industry. A construction boom is not expected, but compared to 1979, any residential

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE

	12/79 p/	11/79 r/	12/78	Changes From: 11-79	12-78
Nonagricultural Wage & Salary.....	74,800	76,100	75,200	-1,300	-400
Mining.....	1,750	1,700	1,900	50	-150
Construction.....	4,550	5,150	5,150	-600	-600
Manufacturing.....	1,450	1,550	1,450	-100	0
Food & Kindred Products.....	250	250	250	0	0
Other Manufacturing.....	1,200	1,300	1,200	-100	0
Transp.-Comm. & Utilities.....	7,550	7,700	7,800	-150	-250
Trucking & Warehousing.....	1,050	1,100	1,300	- 50	-250
Water Transportation.....	350	400	250	- 50	100
Air Transportation.....	2,550	2,600	2,550	- 50	0
Other Transp.-Comm. & Utilities..	3,600	3,600	3,700	0	-100
Trade.....	16,900	17,050	17,050	-150	-150
Wholesale Trade.....	3,950	4,000	4,000	- 50	- 50
Retail Trade.....	12,950	13,050	13,050	-100	-100
General Merchandise & Apparel..	1,800	1,750	2,000	50	-200
Food Stores.....	1,550	1,550	1,650	0	-100
Eating & Drinking Places.....	4,800	4,800	3,950	0	850
Other Retail Trade.....	4,800	4,950	5,450	-150	-650
Finance-Insurance & Real Estate....	4,700	4,750	4,800	- 50	-100
Services & Miscellaneous.....	15,550	15,700	14,500	-150	1,050
Government 2/.....	22,350	22,500	22,550	-150	-200
Federal.....	10,000	10,050	10,000	- 50	0
State.....	4,850	4,900	4,850	- 50	0
Local.....	7,500	7,550	7,700	- 50	-200

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

construction would be positive. The Municipality of Anchorage issued building permits for only 1,227 residential units during 1979, a bleak year indeed. During the decade, only 1973 comes close with over 2,000 units authorized. 1980 is expected to be a better year. The number of houses listed with the Multiple Listing Service has been declining for the past half year, ending 1979 at about the same level it began. The number of listings nearly doubled by mid-1979, but the trend reversed, and the average selling price continued to rise. On the other hand, the prospects for increased construction of multi-family dwellings during 1980 are grim. The vacancy rate remains as high as ever, interest rates are unlikely to fall and demand is low. Commercial construction should hold its own or even improve. The vacancy rate is currently at 10 percent and planned activity assures some growth.

ANCHORAGE MAT-SU LABOR FORCE IN DECEMBER

By Cal Dauel

The region's unemployment rate reached 8.6 percent in December, the lowest of any of the State's regions. The region achieved this distinction in spite of the fact that one of its component areas has the highest unemployment rate in the State. The Matanuska–Susitna census division recorded a December rate of 19.9 percent compared to 18.4 last year. This puts the Borough in the usual position of being 1 of only 2 divisions with a higher rate this year. The other division was Kenai which had a rate of 15.6 percent this December compared to 15.4 last year.

There is no doubt that unemployment is severe in the valley, but then it is always high. Many people who live in the valley work elsewhere when employed, but return home when unemployed. Since many of these residents work in Anchorage, the regional rate may be the truest representation of the unemployment situation.

Wage and salary employment continues to show growth in the valley, although considerably less than in previous years. The sluggishness coupled with high unemployment has followed years of rapid growth which may be the reason the economy looks grim to valley residents.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE-MATSU

			Changes From:		
	12-79 p/	11/79 r/	12/78	12/79	11/79
Nonagricultural Wage & Salary.....	78,450	79,750	78,500	-1,300	- 50
Mining.....	1,800	1,750	1,900	50	-100
Construction.....	4,800	5,450	5,300	-650	-500
Manufacturing.....	1,550	1,700	1,550	-150	0
Transp.-Comm. & Utilities.....	7,900	8,100	8,100	-200	-200
Trade.....	17,650	17,800	17,700	-150	- 50
Finance-Insurance & Real Estate....	4,800	4,850	4,950	- 50	-150
Services & Miscellaneous.....	15,950	15,950	14,850	0	1,100
Government 2/.....	24,000	24,150	24,150	-150	-150

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merril Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

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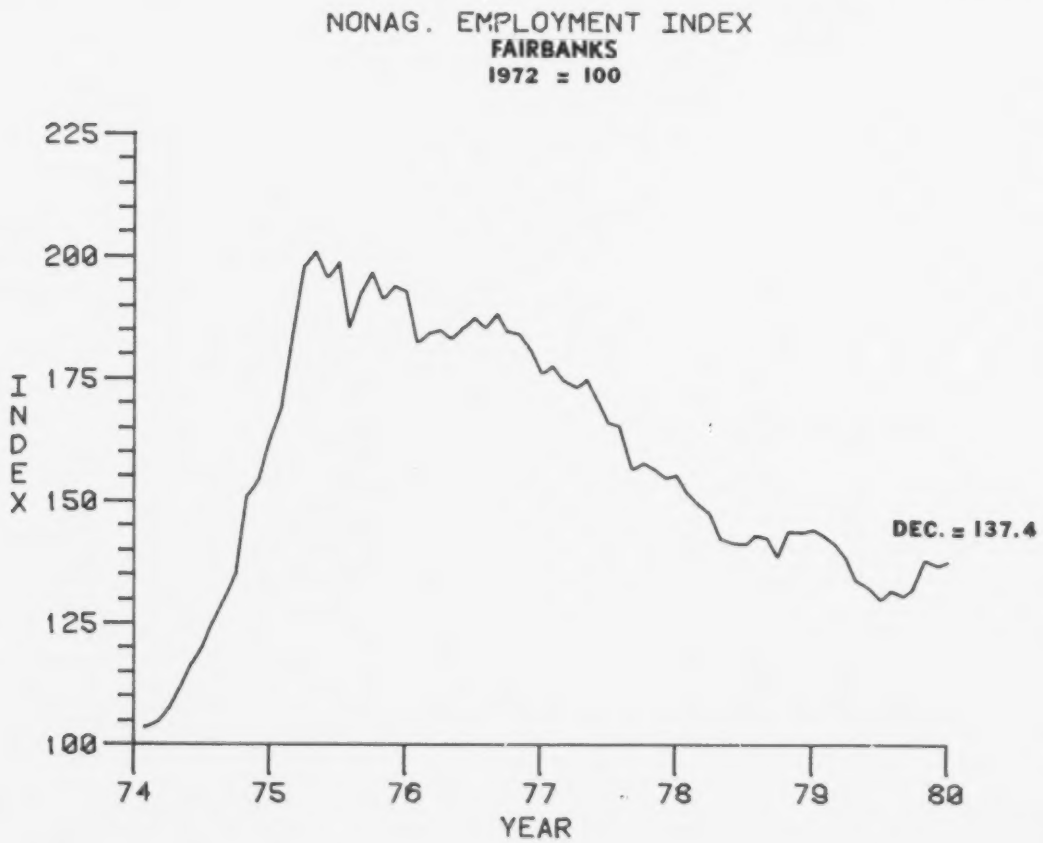
FAIRBANKS LABOR FORCE IN DECEMBER

By Neal Fried

Like 1978, 1979 cannot be considered a banner year for the economy of Fairbanks. Declines in employment continued for the fourth year in a row and unemployment rates remained high. For those already unemployed in 1978, 1979 brought few hopes of finding employment. Payments paid out in unemployment insurance fell from $10.7 million in 1978 to $6.7 million in 1979. This was not because the claimants were able to find work, but because their benefits had been exhausted.

However, 1979 does differ from previous years in some very important ways. It has been called the year of stabilization, bottoming out, etc., by many and there is good reason to believe this is true. During the previous three years, wage and salary employment plunged 10 percent on the average annually. The 1979 estimates show a 6 percent decline. Once all the actual numbers are in, the decline will probably be closer to 3 percent. Unemployment rates, though higher than in most urban areas of the state, have moved downward to fourth place, compared to second place held in 1978. The labor force has shrunk more rapidly than the increase in the number of unemployed due to an outflow of unemployed workers.

Employment in the various industries had mixed results in 1979. Most did share in the loss of employment by varying degrees, with the exception of the smallest industries, mining and manufacturing and government – the biggest. Construction and finance, real estate and insurance took the largest percentage loss (21 percent). For construction this loss was far less than the previous year (55 percent). Employment losses occurred in all sectors of construction – heavy, special and general building. Residential construction was down approximately 47 percent from 1978 and the number of both large and small projects was far fewer compared with past years. The large projects in 1979 were the first National Bank Building, Chena Flood Control Project, the University Museum, the Post Office facility at the airport, highway construction and the construction of a number of retail outlets. Combined they were not enough to prevent a slide in employment but they did slow it down considerably. Finance and real estate losses were of a different



nature. Their employment had been reasonably stable through 1978 and did not begin to fall off until 1979. This is because large amounts of money were still circulating through Fairbanks' economy in 1978, even though pipeline construction had ended. During 1978, there was still a healthy amount of residential construction, land acquisition, and bulging savings accounts which these businesses are very dependent upon. This source of money had dried up to a large extent by 1979 and this industry began to feel it. Some employment losses also occurred when personnel were shifted to Anchorage operations. Despite this, a new bank building was constructed in 1979, signifying the fact that the 1979 economy was not expected to repeat its downward trend in the future.

Transportation, trade and services also experienced employment declines. The only area of transportation that took no loss but remained stable was air. This was due to the boost given by Japan Airlines and Korea Airlines' decision to refuel a number of their freight liners in Fairbanks. Of all the industries registering declines, trade declined the least. Losses in employment did occur regardless of the fact that some large additions were made in 1979, such as the Fred Meyer Store and the South-Gate Hub grocery store. Their additions may have eased the drop-off, but other outlets had to cut down on their employees and, in some cases, close. The

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

	p/ 12-79	r/ 11-79	12-78	Changes From: 11-79	12-78
Nonagricultural Wage & Salary.....	19,700	20,250	21,150	-550	-1,450
Mining.....	50	50	50	0	0
Construction.....	1,250	1,400	1,350	-150	-100
Manufacturing.....	500	550	500	- 50	0
Transp.-Comm. & Utilities.....	2,250	2,350	2,550	-100	-300
Trucking & Warehousing.....	300	300	450	0	-150
Air Transportation.....	650	650	650	0	0
Other Transp.-Comm. & Utilities..	1,300	1,400	1,450	-100	-150
Trade.....	3,900	4,000	4,600	-100	-700
Wholesale Trade.....	650	700	800	- 50	-150
Retail Trade.....	3,250	3,300	3,800	- 50	-550
General Merchandise & Apparel..	450	400	500	50	- 50
Food Stores.....	500	500	500	0	0
Other Retail Trade.....	2,300	2,400	2,800	-100	-500
Finance-Insurance & Real Estate....	750	750	850	0	-100
Services & Miscellaneous.....	3,550	3,650	3,700	-100	-150
Government 2/.....	7,450	7,500	7,550	- 50	-100
Federal.....	2,300	2,300	2,600	0	-300
State.....	3,050	3,100	2,950	- 50	100
Local.....	2,100	2,100	2,000	0	100

1/ Data contained in this report covers the Fairbanks Census Division.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark data March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

number of eating and drinking establishments increased with the opening of Clinkerdagger, Bickerstaff and Pett's, the Pump House and a number of other smaller outlets, causing employment in this area to remain stable. The service industry, which covers a wide range of activities, lost employment in a number of areas such as hotels, personal services, auto repair etc., whereas health and recreational services showed some increases.

Government employment, on the other hand grew somewhat in 1979 (2.7 percent). State government grew by 3.5 percent while local and federal government remained at approximately past years levels. Government provided, as it has in the past during slow periods of economic activity, some stability.

A brief comparison of the years in the past decade make for different and interesting observations. Since 1970, over all wage and salary employment has grown 40 percent. The industries whose employment grew most rapidly were service (113 percent) and finance, real estate and insurance (53 percent). Trade and transportation grew by 46 and 48 percent respectively. Construction is, however, a special case because it is much more sensitive than any other industry to the upward and downward movements in the economy, depending on what phase a large project is in. Its influence on the economy has obviously been far greater than the percentage illustrates. During the majority of the pipeline construction years, it was the largest employer in private industry and during four months in 1975 its employment topped government's.

Government's employment this time, surprisingly to many, grew the least rapid (16.6 percent). On the federal side there has actually been a loss of some employment. State and local government grew by 2.9 percent. With the exception of construction, most of these percentage changes basically illustrate the permanent change that has taken place over the past ten year period and may make it easier to see where the economy is headed in future years.

INTERIOR ALASKA'S LABOR FORCE IN DECEMBER

By Neal Fried

The Interior's unemployment rate of 13.6 percent in December once again was the highest for all regions

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
INTERIOR

				Changes From:	
	12/79 p/	11/79 r/	12/78	11/79	12/78
Nonagricultural Wage & Salary.....	23,250	23,800	24,000	-550	-750
Mining.....	150	150	150	0	0
Construction.....	1,550	1,750	1,450	-200	100
Manufacturing.....	550	550	500	0	50
Transp.-Comm. & Utilities.....	3,250	3,300	3,450	- 50	-200
Trade.....	4,150	4,250	4,450	-100	-300
Finance-Insurance & Real Estate....	850	850	900	0	- 50
Services & Miscellaneous.....	3,800	3,900	3,950	-100	-150
Government 2/.....	8,950	9,050	9,150	-100	-200

1/ Data contained in this report covers the Upper Yukon census division, the Yukon-Koyukuk census division, the Southeast Fairbanks census division and the Fairbanks census division.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

in the state. This has been true for 11 months out of 12 in 1979 and for every month of 1978. During the past 6 months, three of the four areas' rates have been quite similar with the exception of the Upper Yukon region, which has had rates a number of points above the other areas. This may be due to the fact that the towns and villages in this area are small and isolated and therefore employment and access to it is more difficult than it is in other rural areas of the Interior.

In the past, individuals in rural Interior often went to find seasonal work in Fairbanks, if it could not be found closer to home. This alternative has become increasingly difficult because of the present state of Fairbanks' economy. Jobs are in short supply for those already living there and for most newcomers the chances of finding work would be even worse. Compounding the problem is the fact that there are few chances for the inhabitants in the towns and villages to acquire the necessary skills to compete in the urban market. This may change in the future as communication and other technical innovations are brought into the rural areas and local people are trained to utilize them. This process, along with an improvement in the future of Fairbanks' economy, will be a potential solution to lowering the historically high unemployment levels in the Interior.

SOUTHEAST ALASKA'S LABOR FORCE IN DECEMBER

By Jan McIlroy

A new Alaska Lumber and Pulp Co. mill will be built in Wrangell this spring. The two present mills provide their own power by burning the sawdust. Since only one mill will be in operation during the construction period, the excess sawdust can be used to generate additional power for the city. Currently the city is entirely dependent on deisel fuel and is faced with a 35 percent rate hike due to the increased fuel costs.

Both Wrangell and Petersburg are taking steps necessary for federal licensing of the Tyee Lake Hydroelectric project which could be on line providing power for both cities by 1983.

Sealaska Corporation has formed the Sealaska Timber Corp. (STC) which will develop and market the timber resources of Sealaska. It will also provide timber development and marketing capability to other native corporations with timber resources who may choose to participate. It is seen as a first major step in development of Sealaska's natural resources. The Sealaska Board will provide $7 million for initial funding. The headquarters for STC will be in Ketchikan. With the formation of the new corporation, the Sealaska Board of Directors has cancelled a planned stumpage sale in 1980 and has allocated the stumpage to STC for developing and marketing.

Sealaska Corporation has also purchased Ocean Beauty Seafoods for $27 million. They have 4 locations in Alaska, 2 are in Southeastern, one in Juneau, and one in Hydaburg. They have plans to further expand in the Southeast. Statewide they have 300 employees on a full time basis and over 1,000 seasonally.

In Ketchikan there is a new industry being tried. It is a long-line operation to catch dog fish, always before considered a scrap fish. The recently developed interest in the bottom fish market has changed opinions about the dog fish. The local dog fish project started in November as a feasibility study and is funded by a legislative appropriation to the Ketchikan Gateway Borough for bottom fish development. The dog fish is a delicate species because of its physiological qualities. The fish has no urinary tract but has glands distributed just under the skin all along the back, therefore the fish must be handled gently to avoid contamination of the meat. The fish also has no skeletal structure, only cartilage to support the flesh and organs which also causes the meat to bruise easily. A processor from Port Townsend is in Ketchikan training filleters in the processing of the dog fish. The fish is cut into backs and belly flaps. The backs are used for fish and chips and the belly flaps are smoked and eaten like lox. The tails and fins are also marketable as stock for shark fin soup. The processor from Port Townsend states he could process ½ a million pounds a year from Alaska. The fishermen are paid 9 cents a pound, the fish is marketed at 50 cents a pound for the backs and $1.40 for the bellies. The Ketchikan Gateway Borough has asked fishermen for a committment of 200,000 pounds. This will fill a container for shipment to Seattle and will give a good working figure when estimating the cost of processing. About a half dozen fishermen have entered this fishery.

In Ketchikan, work on a 5 office business condominium is continuing and will be completed by the end of February. All of the office space has been filled. Parking space has been leased to accommodate the office workers.

The bid for phase-2 of the Juneau–Douglas bridge was awarded to Moseman Construction Co. of Redding, California. The bid was $15,526,785.00 for

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

	p/ 12/79	r/ 11/79	12/78	Changes From: 11/79	12/78
Nonagricultural Wage & Salary.....	24,900	26,000	22,800	-1,100	2,100
Construction.....	900	1,200	800	-300	100
Manufacturing.....	3,100	3,750	2,150	-650	950
Transp.-Comm. & Utilities.....	2,200	2,300	1,900	-100	300
Trade.....	3,900	3,800	3,350	100	550
Wholesale Trade.....	400	400	350	0	50
Retail Trade.....	3,500	3,400	3,000	100	500
Finance-Insurance & Real Estate....	1,150	1,150	1,000	0	150
Mining, Services & Misc.	3,200	3,150	2,800	50	400
Government 2/.....	10,450	10,650	10,800	-200	-350
Federal.....	2,100	2,150	2,400	- 50	-300
State.....	4,350	4,450	4,400	-100	- 50
Local.....	4,000	4,050	4,000	- 50	0

1. Data in this report cover the following census divisions: Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway, Yakutat, and Wrangell-Petersburg.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3. Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

the construction of the bridge over the Channel. It was within 2½ percent of the cost estimated by the engineers. Work on the bridge is to start April 1, 1980. The pilings were sunk last summer. The date for the completion of the bridge is in July, 1982. There will be road improvements on the Douglas Highway in conjunction with the bridge construction.

A gold mine on the Sheep Creek delta near Juneau is being planned. The dredging will start in the spring.

In Skagway the White Pass and Yukon Railway employees finally got the $1.4 million in retroactive salary payments. This had been scheduled to take place in November, but due to a cash flow problem, the payment wasn't made until late in December.

In Wrangell, the Young Adult Conservation Corp. has been asked to reconstruct some wooden walkways, make some cemetery improvements as well as cut Christmas trees. There are 74 enrollees busy on the various projects. They provide the labor for the local programs and the city provides the materials. The weather is a big factor in how much can be accomplished. Also in Wrangell, the Civic Center expansion project is progressing and it is expected to be completed by the end of the month. They have been delayed by late deliveries of windows and linoleum. The completed addition has been funded by a $30,000.00 Federal grant and local donation of cash, materials and in-kind services worth $10,000.

HOURS AND EARNINGS FOR DECEMBER

By Debbie Berggren

Decreased employment in the statewide labor market created most of the fluctuation in average weekly hours and hourly earnings between November and December.

Manufacturing experienced a 2.9 percent decrease in average hourly earnings and a 7.5 percent decrease in average weekly hours. The food and kindred products sector contributed greatly to this decline

with a 25.8 percent decrease in average weekly hours. The decrease in average weekly hours created a 16.4 percent decrease in average weekly earnings for the food and kindred products sector compared to December 1978. However, due to wage increases in the wood products sector, average weekly earnings in the manufacturing industry as a whole increased 7.5 percent over the previous year.

Activity in the oil and gas extraction sector contributed greatly to mining's 1.3 percent decrease in average hourly earnings. However, compared to last year mining production workers earned an average weekly wage of $978.50, an increase of 18.8 percent.

Contract construction was also affected by the seasonal downturn. Construction workers experienced a 3.6 percent decrease in average hourly earnings and a 4.1 percent decrease in average weekly hours. Construction workers had average weekly earnings of $687.52, a decrease of 15.4 percent over December 1978.

Trade's increase in both average hourly earnings and average weekly hours was mainly caused by retail trade stores gearing up for the Christmas season. Retail trade experienced a 2.2 percent increase in average hourly wage and a 7.3 percent increase in average weekly hours. During the year nonsupervisory employees in the trade industry received a 8.0 percent increase in average weekly earnings.

Transportation also experienced a decrease in average weekly hours. The communications sector greatly influenced this decrease. Nonsupervisory employees in the transportation sector experienced an increase of 7.4 percent in average weekly earnings over December 1978.

The finance, insurance, and real estate sectors had average weekly earnings of $279.48, an increase of 6.3 percent over December 1978.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	AVERAGE HOURLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE WEEKLY EARNINGS		
	p/ 12/79	r/ 11/79	12/78	p/ 12/79	r/ 11/79	12/78	p/ 12/79	r/ 11/79	12/78
MINING.....	19.00	19.25	16.72	51.5	51.7	47.5	978.50	995.23	794.20
CONTRACT CONSTRUCTION.....	18.94	19.63	19.25	36.3	34.8	41.2	687.52	683.12	793.10
MANUFACTURING.....	11.23	11.55	8.89	35.9	38.6	42.2	403.16	445.83	375.16
Food & Kindred Products	7.54	7.59	6.08	29.8	37.5	43.0	224.69	284.63	261.44
Lumber & Paper Products.....	13.47	13.36	12.23	41.8	38.2	42.4	563.05	510.35	518.55
TRANSPORTATION,COMM. & UTILITIES.	12.98	13.09	11.82	35.4	34.6	36.0	459.49	452.91	425.52
TRADE.....	8.33	8.19	7.71	35.3	33.6	35.1	294.05	275.18	270.62
Wholesale Trade.....	9.79	9.51	9.15	38.0	39.0	38.2	372.02	370.89	349.53
Retail Trade.....	7.84	7.67	7.22	34.4	31.9	34.2	269.70	244.67	246.92
FINANCE,INSURANCE & REAL ESTATE..	---	---	---	---	---	---	279.48	277.66	261.93

1/ Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor

2/ excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	p/ 12/79	r/ 11/79	12/78	p/ 12/79	r/ 11/79	12/78	p/ 12/79	r/ 11/79	12/78	p/ 12/79	r/ 11/79	12/78
Alaska Statewide	178465	180975	171295	17773	16474	19548	10.0	9.1	11.4	160593	164501	151748
Anchorage-Matsu Region	89541	89327	85415	7595	7073	7776	8.6	7.9	9.1	81056	82254	77639
Anchorage	81292	82143	78507	6119	5959	6503	7.5	7.1	8.3	75173	76284	72004
Matanuska-Susitna	7349	7184	6908	1466	1214	1273	19.9	16.9	18.4	5983	5970	5635
Gulf Coast Region	20457	20713	19445	2609	2386	2761	12.8	11.5	14.2	17848	18327	16684
Cordova	1083	1116	1026	110	117	116	10.2	10.5	11.3	973	999	910
Kenai	9778	9839	9122	1526	1366	1409	15.6	13.9	15.4	8252	8473	7713
Kodiak	4479	4571	4197	434	418	416	9.7	9.1	9.9	4045	4153	3781
Seward	1416	1432	1421	194	177	278	13.7	12.4	19.6	1222	1255	1143
Valdez	3701	3755	3679	345	308	542	9.3	8.2	14.7	3356	3447	3137
Interior Region	24472	24977	24450	3333	3188	4033	13.6	12.8	16.5	21139	21689	20427
Fairbanks	19864	20173	19849	2690	2551	3252	13.5	12.6	16.4	17174	17622	16597
Southeast Fairbanks	1909	1937	1912	256	242	316	13.4	12.5	16.5	1652	1695	1596
Upper Yukon	591	597	590	103	97	119	17.4	16.2	20.2	488	500	471
Yukon-Koyukuk	2109	2170	2109	284	298	346	13.5	13.7	16.4	1825	1872	1763
Northern Region	9210	9072	7394	772	691	810	9.4	8.6	11.0	7438	7381	6584
Barrow-North Slope	2205	2189	1950	141	140	132	6.4	6.4	6.7	2065	2049	1828
Kobuk	2 6	2430	2251	289	251	316	11.7	10.7	14.0	2186	2169	1935
Nome	3529	3453	3193	342	290	362	9.7	8.4	11.4	3187	3163	2821
Southeast Region	27759	28490	25997	2540	2262	3078	9.1	7.9	11.9	25228	26218	22819
Angoon	457	459	453	51	47	86	11.2	10.0	19.0	406	422	367
Haines	964	981	907	99	92	125	10.3	9.4	13.8	865	899	782
Juneau	9761	10123	9009	694	701	907	7.1	6.9	9.0	9067	9422	8202
Ketchikan	5930	5938	5524	661	462	758	11.1	7.8	13.7	5269	5476	4766
Outer Ketchikan	999	1073	923	81	119	93	8.1	11.1	10.1	918	954	830
Prince of Wales	1578	1598	1479	172	137	208	10.9	8.6	14.1	1406	1461	1271
Sitka	3545	3757	3362	310	290	344	8.5	7.7	10.2	3336	3467	3018
Skagway	1466	1512	1362	171	166	191	11.7	11.0	14.0	1295	1346	1171
Wrangell-Petersburg	2957	3029	2878	301	259	465	10.1	8.5	16.2	2666	2771	2412
Southwest Region	9918	9505	8685	934	874	1090	10.5	9.2	12.6	7984	9532	7595
Aleutian Islands	2250	2409	2139	163	153	154	7.2	6.4	7.2	2087	2255	1985
Bethel	2813	2997	2754	330	312	392	11.7	10.4	14.2	2483	2685	2362
Bristol Bay Borough	373	399	380	34	32	57	9.1	8.0	15.0	339	367	323
Bristol Bay	1204	1279	1172	118	105	139	9.8	8.2	11.9	1086	1174	1033
Kuskokwim	875	930	958	142	137	161	16.2	14.7	18.8	733	793	597
Wade Hampton	1403	1492	1382	147	135	187	10.5	9.0	13.5	1256	1357	1195

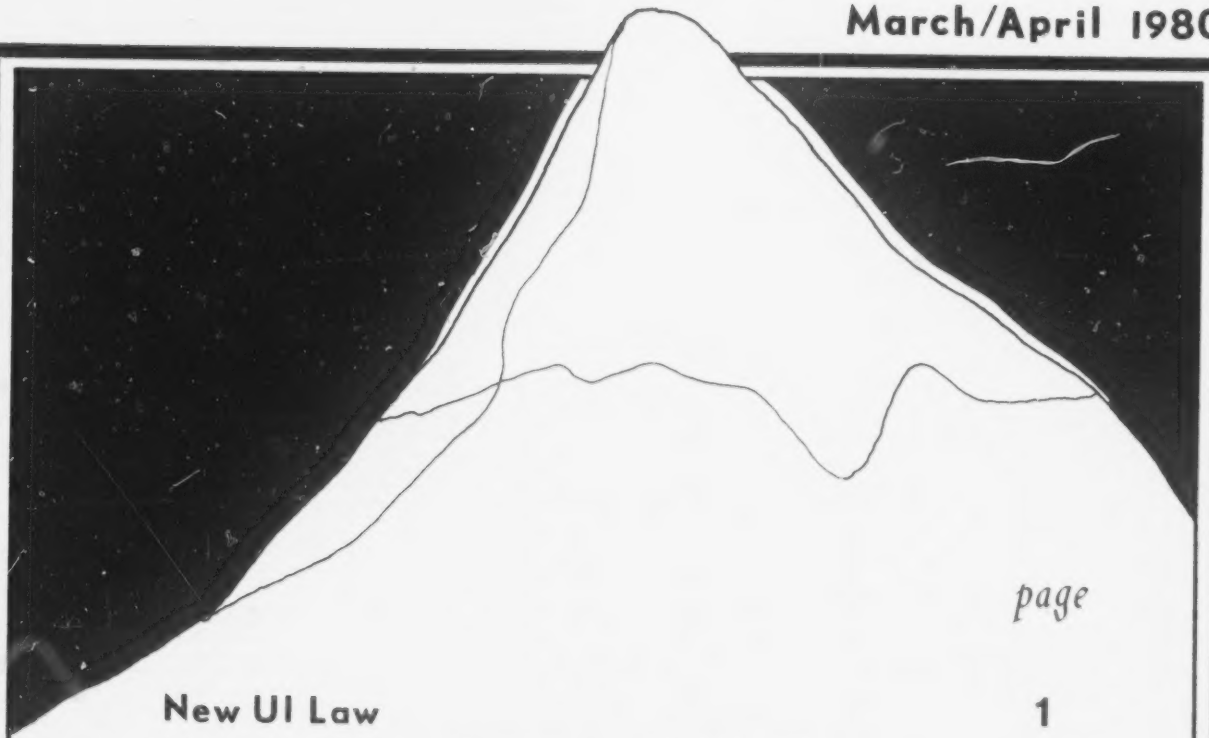
p/=Preliminary r/=Revised 1978 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

S 0320-1-(1)

ALASKA ECONOMIC TRENDS

March/April 1980



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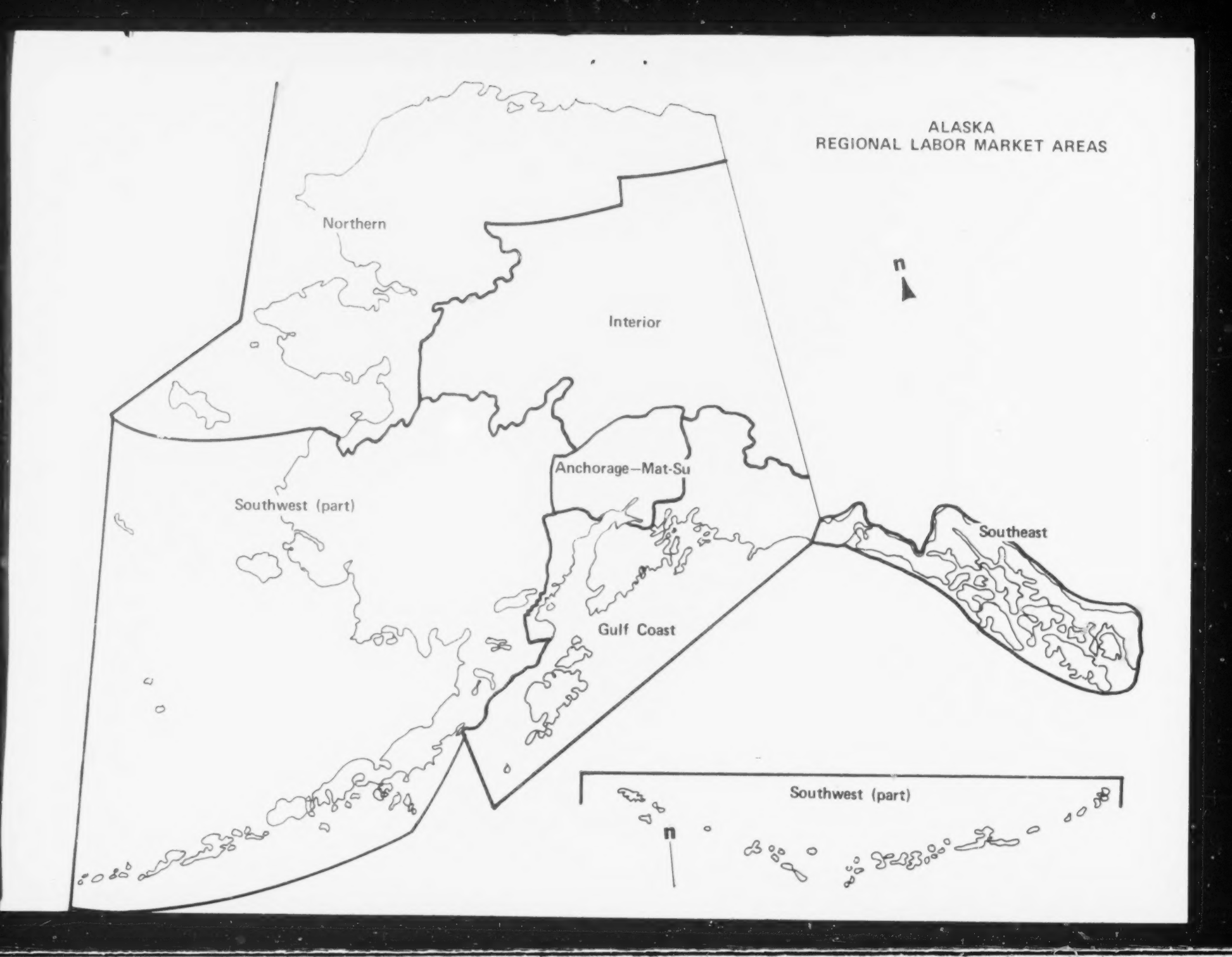
STATE OF ALASKA · DEPARTMENT OF LABOR
RESEARCH AND ANALYSIS SECTION
JAY S. HAMMOND, GOVERNOR


ALASKA
REGIONAL LABOR MARKET AREAS
Northern
Interior
Anchorage—Mat-Su
Southwest (part)
Southeast
Gulf Coast
n
n
Southwest (part)

ALASKA ECONOMIC TRENDS

Jay S. Hammond, Governor
State of Alaska

Edmund N. Orbeck, Commissioner
Department of Labor

John E. Post, Chief
Research and Analysis

March and April 1980

Chris Miller, Editor

GOVERNOR SIGNS UNEMPLOYMENT INSURANCE LEGISLATION

By Scott T. Hannigan

Unemployment insurance legislation has been passed by the Alaska Legislature and was signed into law by the Governor on March 13, 1980. Extensive revisions to the Employment Security Act encompass benefits, taxes, eligibility, duration, disqualifications, and fraud. Some minor administrative measures were also effected. This article will present an overview of the legislation and discuss the background, reasoning and expected impact of the major changes.

BENEFITS

The maximum weekly benefit amount (WBA) has been raised from the current $90 to $150. Allowances for dependents were established at $24 per dependent with a maximum of $72; up from the current $10 per dependent, maximum of $30. A new provision in the dependents section extends eligibility for the allowance to dependents newly born or adopted during claimants' benefit years. Proof of principal support may be required to be eligible for the dependents allowance.

New benefits will be paid to those claimants filing for an initial determination after September 30, 1980. Minimum qualifying wages are $1,000 with at least $100 outside the quarter of highest earnings. Benefits for claimants earning more than 90 percent of base period wages in a single quarter will be based on earnings equal to ten times the wages paid outside the high quarter.

Allowable earnings before reduction in the weekly benefit amount have been changed from $10 or one-half the WBA (whichever is greater) to $50 plus a reduction of additional earnings by $.75 for each $1 over $50.

UI Benefits are subject to a dollar for dollar reduction for any retirement benefits received. This section brings the Alaska UI law into conformity with federal law. The issue of retirement benefits is still being discussed at the national level so this section will be repealed if the corresponding federal provisions is amended or repealed.

The WBA has not been increased since 1973. Rampant inflation with the resultant escalating salaries and the high cost of living in Alaska have seriously eroded the wage replacement value of the WBA. The old maximum benefit of $90 replaced approximately 23 percent of the state's average weekly wage, the lowest percentage wage replacement in the nation. The new benefit schedule will replace at least 50 percent of claimants' average weekly earnings for the 70 percent of claimants with annual earnings below $15,500.

Changes in the minimum and maximum weekly benefit amounts are shown in the following table:

MINIMUM & MAXIMUM
BENEFIT PAYMENTS

	Old Law	New Law
Minimum Weeks	14	16
Minimum WBA	$ 18	$ 34
Minimum Payment	$ 252	$ 544
Minimum Required Earnings	$ 750	$ 1,000
Maximum Weeks	28	26
Maximum WBA*	$ 120	$ 222
Maximum Payment*	$ 3,360	$ 5,772
Earnings Required for Maximum WBA	$ 8,500	$ 15,500

* Includes maximum allowance for dependents:
Old Law – $10 per dependent for 3 dependents
New Law – $24 per dependent for 3 dependents

DURATION

The legislation incorporates a duration schedule which links the duration of benefits to a claimant's previous attachment to the labor force. Duration will range from 16 to 26 weeks (24 to 39 weeks with Extended Benefits) depending on the claimant's work history. A ratio of annual earnings to high quarter earnings will be determined for each claimant on a scale of one to four. Those with a ratio less than 1.5 will have a potential duration of 16 weeks and those with a ratio of 3.5 or over will have potential duration of 26 weeks. Others will fall somewhere between the two.

Previous duration ranged from 14 to 28 weeks (21 to 39 with Extended Benefits) with an average of 20 weeks per claimant. Duration was based solely on a claimant's base period earnings. Modification of the duration schedule allows an earlier shift into the Extended Benefits program. This results in little or no loss of benefits to the average claimant and has the advantage of savings to Alaska's trust fund because one half of Extended Benefits are reimbursed by the federal government. This variable duration plan allows higher weekly payments at a lower cost to employers than would be otherwise possible.

TAXES

A new tax rate schedule will become effective January 1, 1981. The new schedule more equitably assigns rates to employers based on their experience with unemployment. Employers' payrolls will continue to be ranked in average decline quotient order. (The average decline quotient measures quarterly payroll variation). Taxable payroll will be divided into 20 rate classes instead of the current ten. Each rate class will be assigned a tax rate based on the average benefit cost rate of benefits over a three year period expressed as a percentage of total payroll over 3 years. Trust fund solvency is the ability of the fund to pay benefits. Fund solvency will be measured against total payroll and will be considered adequate at 3.2 percent of total payroll. A solvency tax will be added to the regular tax if the fund falls below the 3.2 percent level. The solvency tax will be applied uniformly to all employers at a rate of 0.1 percent to 1.1 percent depending on the condition of the fund. The combined regular and solvency tax may not exceed 6.5 percent or be less than 1 percent. The new schedule will be phased in over three years and no employer's rate will exceed 5.1 percent in 1981. The formula for calculating the tax rate is as follows:

Tax Rate = (.82 X (average benefit cost rate) X (experience factor)) + solvency tax.

The experience factor is based on the decline quotient and ranges from .4 to 1.6. Eighty-two percent of the average benefit cost rate is borne by employers with the other 18 percent to be assigned to employees. The employee rate will range from 0.5 percent to 1.0 percent, depending on the average benefit cost rate. In any given year, all employees will pay the same rate.

The taxable wage base will be raised from the current $10,000 to a percentage of the state's average annual wage. The tax base will equal 60 percent of the average annual wage beginning January 1, 1981 (the tax base is projected to be approximately $12,000 in 1981). The percentage will be increased to 75 percent January 1, 1983.

The $10,000 base has been fixed by law for several years. Rapidly rising wages in conjunction with a fixed base caused a smaller and smaller proportion to be subject to tax (approximately 54 percent of total wages are currently subject to taxation). A tax base linked to the average annual wage will automatically rise or fall with wages.

Employers' costs will be more closely related to experience. While some employers will have an increase in costs, others will see a decline. Employees will pay 18 percent of total program costs (up from approximately 17 percent). See table below for expected tax impact.

EMPLOYER TAX IMPACT

Tax Base should increase to $12,000 in 1981
$12,500 in 1982
$16,300 in 1983

Projections For:	Old Law		New Law	
	1981	1983	1981	1983
Minimum Rate	2.6%	2.3%	1.81%	1.32%
Maximum Rate	5.1%	4.8%	5.10%	4.00%
Average Rate	4.0%	3.7%	3.90%	3.16%
Tax Base	$10,000	$10,000	$12,000	$16,300
Minimum Payment*	$260	$230	$217	$215
Maximum Payment*	$510	$480	$612	$815
Average Payment*	$400	$370	$468	$515

* At full base of $10,000 in old law;
At full base of (60% and 75%) projected average annual wage

EMPLOYEE TAX IMPACT

	Old Law		New Law*	
	1981	1983	1981	1983
Tax Base	$10,000	$10,000	$12,000	$16,300
Rate	0.8%	0.7%	0.8%	0.7%
Maximum Payment	$80	$80	$96	$114

DISQUALIFICATIONS AND FRAUD

A claimant who quits work, is fired for misconduct, or refuses suitable work will be subject to a benefit reduction equal to three times the WBA (less dependents allowance) in addition to the current six week period of ineligibility. Present law disqualifies a claimant 26 weeks for misrepresentation. The new law will allow a variable disqualification period from 6–52 weeks depending on the circumstances. Fines and/or prison terms for false statements to secure benefits by claimants and prohibited acts by employers have been increased.

The able and available for work section of the law has been redefined to limit a claimant's waiver from availability if ill or disabled to six consecutive weeks. Availability for work is waived if the claimant is traveling for medical reasons or serving as a juror. An individual who is attending 10 or more hours of academic instruction is disqualified. Nonprofessional school employees are disqualified between terms.

MISCELLANEOUS AND ADMINISTRATIVE

– A provision required by federal law provides for release of wage information by the department to AFDC (welfare) agencies to aid in establishing the eligible or amount of aid for individuals applying for AFDC.

– State and local governments that elect reimbursable coverage are responsible for the full cost of extended benefits. Currently, all reimbursable employers are liable for one-half of extended benefits, which is Alaska's share of the cost.

– Penalties for the unauthorized disclosure of information by an employee of the department are extended to include agents of the department.

– Employee refunds are now allowed only if one employer pays contributions in excess of the tax base.

– Several provisions allow for improved methods of collecting delinquent contributions. The interest rate charged on unpaid contributions is increased to 12 percent from 8 percent. The department may require monthly reports from consistently delinquent employers. The definition of employer is extended to include the officers of a corporation. Proof of solvency or the posting of a bond will be required by employers filing an appeal of tax assessment.

– Changes in the appeals process include extending the number of days to file an appeal from 10 to 15 days. A waiver for filing a timely appeal may be granted for circumstances beyond the claimant's control.

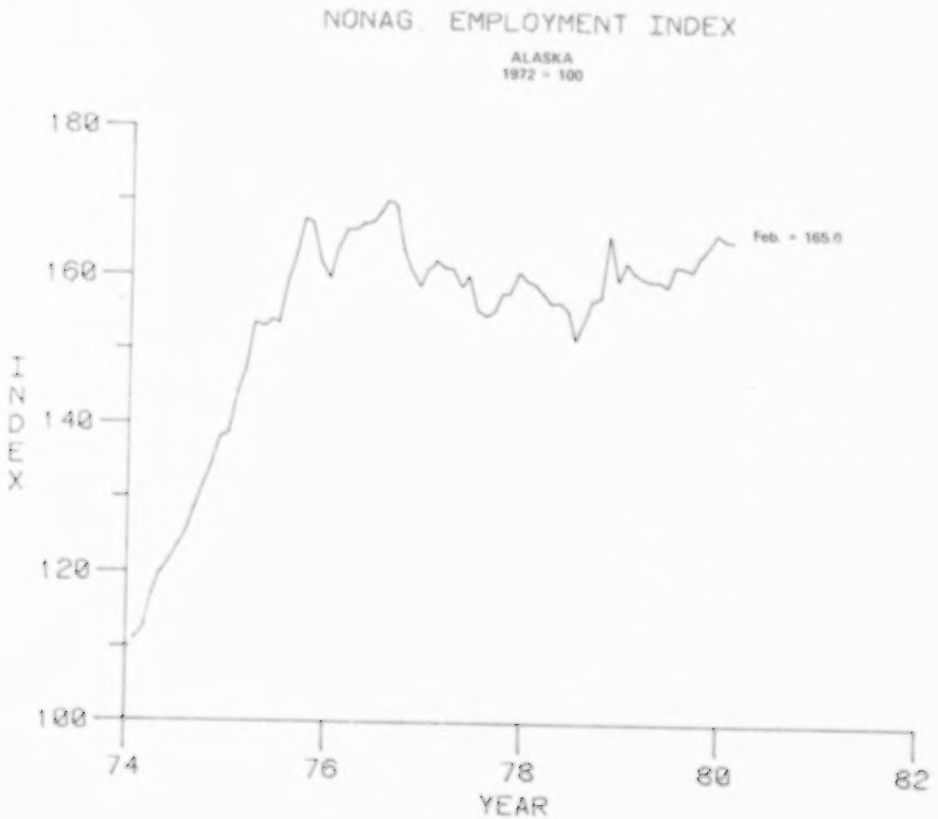
ALASKA'S LABOR FORCE FOR FEBRUARY

By Sally Saddler

In February, wage and salary employment was at a level 2.8 percent (4,300 workers) above last February. One notable increase occurred in the forest products industry, which accounted for one fifth of the annual increase in wage and salary employment.

During February, employment in the forest products industry increased by 900 workers as compared to last February. This increase (53 percent) over year-ago levels was attributed to a strengthening of timber related activity in the Southeast panhandle. Employment was exceptionally low last year due to the uncertainty of land status and pending national D–2 legislation which slowed logging activity during 1978. Restricted logging activity resulted in a lagged decline of employment in the manufacture of pulp products. Last year, stepped up conveyance of native lands, coupled with a decision to permit round log export of timber harvested from privately owned land bolstered harvest activity. This contributed to near record high employment (1,300 workers) in the manufacture of pulp related products during February.

Employment in seafood processing dropped by 500 workers during February, an unprecedented drop at a time when employment has historically increased due to an abundance of crab to be processed. The 1980 crab season was off to a bad start when two weeks after opening, processors were unable to meet negotiated prices, saying the market place would not support the high prices. In addition to a lower price per pound and a lower than projected catch, icing conditions and high winds deterred many boats in the Southwest and Gulf Coast regions from fishing. As a result employment in seafood processing dropped by a total of 700 workers from January. Marginal increases in other regions offset this drop by 200 workers.



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

	2-80 p/	1-80 r/	2-79	Changes From: 1-80	Changes From: 2-79
Nonagricultural Wage & Salary	159,500	158,000	155,200	1,500	4,300
Mining	6,000	5,900	5,600	100	400
Construction	7,400	7,300	7,200	100	200
Manufacturing	8,000	8,200	7,300	-200	700
Food & Kindred Products	3,200	3,700	3,400	-500	-200
Lumber & Paper Products	2,600	2,400	1,700	200	900
All Other Manufacturing	2,200	2,100	2,200	100	0
Transp.-Comm. & Utilities	16,100	16,000	15,600	100	500
Trucking & Warehousing	1,700	1,700	2,000	0	-300
Water Transportation	900	900	900	0	0
Air Transportation	5,100	5,100	4,500	0	600
Other Transp.-Comm. & Utilities	8,400	8,300	8,200	100	200
Trade	28,400	28,700	28,000	-300	400
Wholesale Trade	5,400	5,300	5,300	100	100
Retail Trade	23,000	23,400	22,700	-400	300
General Merchandise & Apparel	3,700	3,900	3,800	-200	-100
Food Stores	3,600	3,600	3,200	0	400
Eating & Drinking Places	8,000	8,000	8,000	0	0
Other Retail Trade	7,700	7,900	7,700	-200	0
Finance-Insurance & Real Estate	8,100	8,100	8,400	0	-300
Services & Miscellaneous	29,900	29,400	29,200	500	700
Government 2/	55,600	54,400	53,900	1,200	1,700
Federal	18,400	18,500	17,500	-100	900
State	14,900	14,000	14,400	900	500
Local	22,300	21,900	22,000	400	300

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1979.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Total government employment fluctuated at the beginning of the year, predominantly the result of the start of spring semester at the University of Alaska. Employment in state government dropped by 900 workers in January. Two-thirds of these workers returned to work the following month when classes were in full swing.

An increase in state government in January occurred in Juneau as Alaska's 11th Legislative session convened. Sixty legislators, each with support staff arrived in Juneau prepared to deal with a desirable but unique problem for a state legislature; a $3.6 billion budget surplus. The surplus was the result of the unexpected increase in revenues from the crude oil price increases.

During January the one-billionth barrel of Prudhoe Bay crude flowed through the trans-Alaska pipeline; nearly one-tenth of the 9.6 billion barrels of proven reserve in Prudhoe Bay.

The budget surplus is expected to yield funds for construction projects around the state. Funds that were allocated last year for capital related projects contributed to employment in heavy construction which is approximately 40 percent above year ago levels. However, a reduction of activity in residential building and special trade construction held overall construction this February to a level 3 percent above last year.

Transportation, wholesale and retail trade, and services experienced less than 4 percent annual increases while employment in finance was actually down by 300 workers (3.6 percent) as compared to prior year's employment.

An annual 10.4 percent increase in the Anchorage Consumer Price Index (all urban consumers) occurred during January 1980. With so many contracts pegged to the cost of living it was not surprising the new year began with several contract disputes.

Failure to renegotiate the contract of members of AFL–CIO Joint Crafts Council resulted in a walkout in Fairbanks. During the first week of January, 47 public works and sewage treatment plant employees walked off the job. After ignoring an order to return to work, the striking employees were fired and the city hired replacements.

A labor dispute surfaced in Ketchikan between Louisiana Pacific and the Retail Clerks Union who attempted to organize approximately 45 clerical and administrative workers. At the end of the month, union efforts were concentrated on filing a petition calling for an organizational election on the issue.

During the middle of January, 37 refinery workers in Anchorage joined workers nationwide in a contract dispute with Chevron USA, Inc. Other strike activity in Anchorage included a four day walkout by 15 civilian barbers at Fort Richardson and Elmendorf Air Force Base. The barbers were protesting the cancellation of a grant to increase the price of haircuts by 25 cents.

In closing, mention should be made of the fact that the 1980 census began in January in the northern part of the state. Due to logistical difficulties in reaching native people before the spring breakup, this part of the census was conducted before people head out to summer fishing camps. Initially scheduled for completion during January, the census continued through February plagued by turnover problems with enumerators. The remainder of the state will be surveyed on the first of April, along with the rest of the states.

ANCHORAGE LABOR FORCE IN FEBRUARY

By Cal Dauel

Wage and salary employment hit its low point in January and began its seasonal upswing with a very slight rise in February. It is, however, well below last years level, and has been lower nearly every month since mid-1979.

Surprisingly, the construction industry is not really the direct cause of the over-the-year decline in employment. It is essentially at the same level that it was at last year. However, there have been some major shifts within the industry. Residential construction has dropped out of sight. Employment in residential construction is down over 50 percent from last year, and the entire year of 1979 showed a similar decline from 1978. Home sales listed with the Multiple Listing Service were down by over 10 percent in 1979, but are picking up slightly in 1980 with the increased availability of financing. The drop in residential construction also produces a decline in specialty construction where employment is down by more than 10 percent. Only heavy construction is up which balances out the over-the-year employment for the industry.

February is usually the low point for the industry, and much more depends on what happens during the upcoming construction season. Heavy construction, as well as commercial construction should support the industry and pull employment above the 1979 levels. Large governmental expenditures for capital projects will buoy the industry. Demand for top quality office space is on the rise. The outlook for the residential sector, however, remains grim because of high vacancy rates and low demand for new construction.

The major growth industry in Anchorage is mining. It is a small industry, but still, any growth among all the other declining industries is worthy of consideration. Employment is up this year by 300 workers continuing a recent growth trend. This growth is further evidenced by the announced plans of Atlantic Richfield Company to build a 14 story office tower next to their present complex.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE

	p/ 2-80	r/ 1-80	2-79	Changes From: 1-80	2-79
Nonagricultural Wage & Salary	73,450	73,250	75,600	200	-2,150
Mining	2,150	2,100	1,850	50	300
Construction	4,400	4,550	4,400	-150	0
Manufacturing	1,200	1,250	1,350	- 50	-150
Food & Kindred Products	250	250	300	0	- 50
Other Manufacturing	950	1,000	1,050	- 50	-100
Transp.-Comm. & Utilities	7,650	7,600	7,600	50	50
Trucking & Warehousing	950	950	1,050	0	-100
Water Transportation	300	250	250	50	50
Air Transportation	2,900	2,900	2,700	0	200
Other Transp.-Comm. & Utilities	3,500	3,500	3,600	0	-100
Trade	16,150	16,350	16,800	-200	-650
Wholesale Trade	3,850	3,900	3,950	- 50	-100
Retail Trade	12,300	12,450	12,850	-150	-550
General Merchandise & Apparel	1,600	1,650	1,600	- 50	0
Food Stores	1,700	1,700	1,350	0	350
Eating & Drinking Places	4,350	4,350	5,100	0	-750
Other Retail Trade	4,650	4,750	4,800	-100	-150
Finance-Insurance & Real Estate	4,800	4,850	5,200	- 50	-400
Services & Miscellaneous	15,250	15,100	16,400	150	-1,150
Government 2/	21,850	21,450	22,000	400	-150
Federal	9,400	9,400	9,650	0	-250
State	4,850	4,550	4,750	300	100
Local	7,600	7,500	7,600	100	0

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1979.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

A look at the rest of the economy produces only a few other sectors with a positive over-the-year change. The economy is obviously continuing its half year slump with declines rippling through nearly every sector. Two of the transportation sectors show growth, but it is not significant. Water transportation has growth, but it's employment is subject to monthly fluctuations. Air transportation has a solid gain, but the growth was accomplished early last year. Food stores is another sector with annual growth, but once again the growth was early in 1979 when there was an increase in the number of firms. State government is the only other growing sector, but the growth is slight and centered in education.

The unemployment rate took a startling turn for the worse in February. It is now higher than last year, in fact, it is higher than anytime since May 1978. The Anchorage unemployment insurance office experienced an unexpected increase in claimants compared to January. Normally the two months have very similar claims loads, but this year February recorded a 10 percent increase in claimants. The jump in insured unemployed is reflected in the estimate of total unemployment. January's estimate was 5,855, resulting in a rate of 7.8 percent. February's estimate was 6,879, with a rate of 8.9 percent.

Even with this surprising jump in the unemployment rate, Anchorage remains in better economic health than most other areas. Only 3 areas have lower rates, and they have fishing or oil field activity to lift their employment while most of the unemployed leave for home.

ANCHORAGE MAT-SU LABOR FORCE IN FEBRUARY

By Cal Dauel

The unemployment rate for the region is below the Statewide rate entirely because of the more modest rate in Anchorage. The Mat-Su rate is very high, and is exceeded by only a couple small census divisions. Only 3 areas have a larger estimate of total unemployment, and they have a larger population and employment base. They are Anchorage, Fairbanks and Kenai.

There is no denying that there are a large number of unemployed people out in the valley, and at a time when employment is declining. Furthermore, employment is not just showing a seasonal decline, but it is also less than last year. The declining employment accompanied by greater numbers of unemployed workers exists for the entire Anchorage Mat-Su region. Additionally, many of the unemployed formerly worked in Anchorage, so the solution is not just commuting into Anchorage.

Most of the region's unemployed are construction related. This is a result of the rapid population growth during the past decade. The population growth created a building boom, and leaves us with a large construction work force. Oil pipeline construction is long since over, and population growth has slowed, or stalled, or even reversed. This reduces the demand for construction workers, and creating the current unemployment problem.

The slowdown in construction also affects other occupations, but still there are a few occupations with unmet demand. They fall mainly within the clerical field, which obviously does not help the construction worker at all. The clerical occupations are the fastest growing occupational group nationally, and Alaska is no exception. This group, plus the changes in technology put certain skills in demand. For example: a secretary or clerk typist with experience on a memory typewriter is in demand. Anyone with skills in accounting or bookkeeping is in demand, particularly with associated computer experience. As a matter of fact, any job connected with computers is in demand, even keypunch, if the operator has experience on the newer machines. Another area with unmet demand also has special skill requirements; this is auto mechanic. However,

a special skill is often required; they must be factory trained, or have foreign car experience. A national shift to foreign car purchases is in progress, so it is natural to see an increase in demand for foreign car mechanics.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE-MATSU

				Changes From:	
	2-80 p/	1-80 r/	2-79	1-80	2-79
Nonagricultural Wage & Salary.....	76,400	76,250	78,450	150	-2,050
Mining.....	2,200	2,100	1,900	100	300
Construction.....	4,500	4,700	4,500	-200	0
Manufacturing.....	1,300	1,300	1,400	0	-100
Transp.-Comm. & Utilities.....	8,100	8,000	7,900	100	200
Trade.....	16,800	17,000	17,450	-200	-650
Finance-Insurance & Real Estate....	4,900	5,000	5,400	-100	-500
Services & Miscellaneous.....	15,500	15,400	16,800	100	-1,300
Government 2/.....	23,100	22,750	23,100	350	0

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merril Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March 1979.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

FAIRBANKS LABOR FORCE IN FEBRUARY

By Neil Fried

1979 was the year which brought a halt to Fairbanks' downward employment cycle by stabilizing during the latter part of the year. Does this mean that the next logical phase will be one of employment growth? There is good reason to believe 1980 will show employment growth, but it will probably be very slight, on the order of 1–2 percent. No single project in 1980 will be responsible, but instead a number of smaller projects, and more importantly, the expectations of larger projects in the near future. The Northwest Pipeline Project, though it has been delayed a number of times, and may experience more delays, has also created more optimistic expectations of the future. This has had the effect of slowing declines, or even causing some increases. Additionally, it is likely that the oil surplus revenues will fuel some Fairbanks' "wish list" projects during the next couple of years. Activity on the North Slope will also remain strong in 1980 and will pick up in the coming years. A combination of the smaller projects in 1980 and expectations of the future should pull Fairbanks slightly above the 1979 employment levels.

During the 1980 construction season, a number of projects will get underway. The lion's share of these will be in the public sector but a select number of important private sector projects will also commence. The one area of construction which will show definite employment increases this year is highway construction. Approximately 35–37 million dollars will be spent in the Interior on roads, producing a 40 percent increase over the previous year. A majority of the projects will not take place in Fairbanks, but will draw largely from its labor force, as they do each year. Two of the larger highway projects are the 6.5 million dollar Tolovana to Livengood project and the 7.8 million Delta to

McCullum Creek project. Two other construction projects will be the completion of the new Public Safety Building and the Youth Facility. A large percentage of the 8 million dollars appropriated for airport improvements will be spent this year when the hydrant fueling system is installed to serve the increasing number of international jets that are stopping in Fairbanks to refuel. The construction of the terminal for transient passengers will also be undertaken with a portion of these funds. The Chena Flood Control project which has been one of the largest construction projects during the past two years, will contribute little to construction activity this year and military capital expenditures will also be minor.

The two major private sector projects this year will be the construction and completion of pump station 7, which is expected to employ 350–400 people at the peak of construction, and the 4.5 million dollar North Pole Refinery expansion, which will help the refinery meet the demand for the increasing number of international flights refueling in Fairbanks. Residential construction will show no improvement this construction season because of the glut of housing on the market. The overall construction season will be healthy but it is not likely to significantly exceed last year's levels.

The transportation industry may make some positive inroads this year, largely due to an increase in air traffic. This may become a long-term trend as fuel becomes less available and more costly elsewhere, and more available and competitive in Fairbanks due to the increasing capacity of the North Pole Refinery. This may also boost manufacturing employment as the refinery grows. Truck traffic headed to the North Slope through Fairbanks will remain strong in 1980 as large amounts of material are shipped for the first phase of the well pump manifolding project which is presently getting underway.

It is not likely that the trade or financial, insurance and real estate sectors will register any positive movement in 1980. The trade sector presently is somewhat overextended, and therefore, has had to cut back on employees. This may continue in 1980, for it is not likely the slight employment increases that will occur in other sectors will cause enough increase in demand to reverse this trend. FIRE is unlikely to improve in 1980 because of the continued high interest rates and their dependence on residential construction activity, which is expected to be minimal this year.

The service industry, on the other hand, may show some gains this year. The 1980 tourist season is expected to show gains in the packaged tour business, which will mean an increase in hotel room occupancy and other services provided for these tourists. As the price of energy continues to soar, this type of tourism is expected to grow. Personal travel is becoming less affordable and the number of tourists traveling via the Alaskan Highway will likely fall off further this year.

It is also likely that engineering and consulting services will expand this year as Northwest Pipeline becomes involved with more preliminary planning necessary for the gas pipeline project. Approximately 100 million dollars have been earmarked for this type of work in Alaska for 1980, if the project does not run into too many further road blocks. Presently soil samples are being taken along the proposed route of the gas line from Livengood to the Canadian border.

Government employment may move in a positive direction. Federal and local government are expected to remain fairly stable in 1980. Federal employment has been on a slight downswing for a number of years and this trend will probably not change. It is unlikely that local government's budget will allow for any increases. State government, on the other hand, has continued to grow and the oil surplus moneys will continue to fuel increases. University enrollment has also increased again this year and its budget increase is expected to be over and above the inflation rate, which may allow for some personnel increases.

This slight overall increase in employment will, by no means, have the effect of dramatically reducing Fairbanks' unemployment rate. The rate will decline again in 1980 as more of the unemployed leave Fairbanks and the employment situation improves. The unemployment rate is likely to drop by 3–4 points, possibly putting it under 10 percent for 1980. It will, however, continue to be one of the higher rates statewide. Even with the loosening up of the job market the competition for jobs will continue to be fierce. This could be compounded by some increase of individuals coming to Fairbanks this summer seeking work. The number of inquiries seeking gas line construction employment has been on the increase, along with a heightened awareness of Alaska, as a possible place for employment. Despite the positive shift of the economy, a large number of individuals will still not find adequate employment, if any, in 1980. The number of jobs

and the number of persons seeking jobs will still be out of balance in Fairbanks in 1980. However, the outlook is still more positive than it has been for the past two years and this is only a beginning of what should be a general upswing in the coming years.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

	p/ 2-80	r/ 1-80	2-79	Changes From: 1-80	2-79
Nonagricultural Wage & Salary	18,700	18,550	18,350	150	350
Mining	50	50	50	0	0
Construction	850	950	950	-100	-100
Manufacturing	450	450	450	0	0
Transp.-Comm. & Utilities	1,100	1,150	1,000	- 50	100
Trucking & Warehousing	350	400	350	- 50	0
Air Transportation	750	750	650	0	100
Other Transp.-Comm. & Utilities	1,450	1,450	1,450	0	0
Trade	3,500	3,600	3,650	-100	-150
Wholesale Trade	600	600	650	0	- 50
Retail Trade	2,900	3,000	3,000	-100	-100
General Merchandise & Apparel	400	400	400	0	0
Food Stores	550	600	500	- 50	50
Other Retail Trade	1,950	2,000	2,100	- 50	-150
Finance-Insurance & Real Estate	800	800	950	0	-150
Services & Miscellaneous	4,400	4,350	3,900	50	500
Government 2/	7,550	7,200	7,400	350	150
Federal	2,100	2,200	2,250	-100	-150
State	3,200	2,800	2,950	400	250
Local	2,250	2,200	2,200	50	50

1/ Data contained in this report covers the Fairbanks Census Division.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark data March 1979.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

INTERIOR ALASKA'S LABOR FORCE IN FEBRUARY

By Neil Fried

The Interior's unemployment rate for February was 15.1 percent. This high rate is partially due to seasonality, however, even without these seasonal fluctuations, the rate remains high simply because there is a real limit to the number of wage and salary jobs in the Interior's rural towns and villages. This is likely to remain a problem for many years to come.

Two organizations presently responsive to this shortage of jobs is the Fairbanks CETA Office and the Native CETA Prime Sponsor, Den a Aka Inc. Both of these organizations provide a wide variety of employment opportunities, training and services in rural Interior. One of the programs developed by Fairbanks' CETA organization will be sponsored this coming construction season by the Rural Development Youth Corp, located in Nenana. This pilot program is designed to renovate old and build new housing in five Interior villages. The participants will come from the areas where the work will be done, forming into 4 crews of six, with a supervisor for each crew. During their period of employment, they will not only learn the basic skills of house construction, but will also become acquainted with the details of holding down a steady job, such as filling out time cards, W2 Forms, etc. This program is designed to create a total work experience. At the same time new housing will be provided to inhabitants of the villages.

A very different program which the Fairbanks CETA Office was involved in during the 1979 summer season was the Yukon Koyukan Agricultural Project. In this project, instructors traveled to the different villages teaching the agricultural techniques of gardening. Many of the villagers planted their first gardens under this project and it was considered a great success. This project may very well have had

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
INTERIOR

	p/ 2-80	r/ 1-80	2-79	Changes From: 1-80	2-79
Nonagricultural Wage & Salary	23,700	23,300	23,050	400	650
Mining	100	100	100	0	0
Construction	950	1,050	1,000	-100	- 50
Manufacturing	550	550	500	0	50
Transp.-Comm. & Utilities	3,550	3,550	3,350	0	200
Trade	3,650	3,800	3,900	-150	-250
Finance-Insurance & Real Estate	900	900	900	0	0
Services & Miscellaneous	4,600	4,550	4,100	50	500
Government 2/	9,400	8,800	9,200	600	200

1/ Data contained in this report covers the Upper Yukon census division, the Yukon-Koyukuk census division, the Southeast Fairbanks census division and the Fairbanks census division.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1979.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

a permanent effect on these villages. They are now able to grow their own fresh vegetables which would otherwise be extremely costly to purchase.

Like the Fairbanks CETA Office, Den a Aka Inc. has funded positions in construction of housing and community facilities. For example: in Kaltag almost all of the individuals who were unemployed were hired to build a community hall. Fourteen days later, a large eight-sided log community center had been erected with a large amount of the lumber coming from the surrounding area. The Nulato Performing Arts Center and the New George Hall in Nenana were also constructed with CETA funded labor. Den a Aka has also concentrated a great deal of its efforts in the Public Service Employment area. It funds a number of jobs in local government, such as city councils and tribal councils. The positions include city managers, city clerks, secretaries, pump house and power house operators and a number of other vital positions in the village.

These programs provide training, work experience and services that would otherwise not be available in most of these villages. In many cases, it is one of the few or first work experience opportunities provided in the villages. The immediate affect of providing employment is extremely important and the long term effect may prove to be at least as important. These programs will make it possible to fill more jobs that might otherwise go to the outside. As wage and salary employment continues to grow in the rural areas of the Interior, local people will be able to fill these positions. It also makes it easier for these people to find employment if they move to more urban settings because they will then have the skills to compete in those labor markets. The programs can also have the effect of bringing new ideas into villages, such as occurred with the agricultural project. Another benefit of these programs is simply the fact that they provide some economic stimulus in these areas through wages paid. Despite the fact that CETA will experience cutbacks in 1980, it will continue to provide a very important source of training and employment in the rural Interior.

SOUTHEAST ALASKA'S LABOR FORCE IN FEBRUARY

By Jan McIlroy

Looking at the employment figures for January and February, the construction industry is lower than last fall. This is generally true at this time of year, as contractors wait for weather to get better. At this time, however, there are smaller construction jobs going on throughout the area.

In the Petersburg vicinity there has been construction going ahead as the Petersburg Fisheries plant is having their dock extended to allow for improved docking and unloading facilities for the cannery boats. Also new unloading machine will be installed in the spring to allow improved fish unloading from the boats. It will reduce the damage to the fish as they are being brought ashore for processing.

In Scow Bay, there is a new fire hall under construction to be completed by the middle of February. This $100,000 structure will house the new 2,000 gallon pumper to arrive in the spring.

Construction has started on one of the first phases of the Ketchikan Sewage Treatment plant. Of the 7 lift pump stations planned two are now being built.

Red Samm Construction is planning a rock quarry on Crow Hill in Douglas. They intend to remove 300,000 cubic yards of rock for the Juneau–Douglas bridge site and 200,000 cubic yards for on-site development. They hope to develop a subdivision on the site after the quarrying is complete. They

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

				Changes From:	
	2-80 p/	1-80 r/	2-79	1-80	2-79
Nonagricultural Wage & Salary	23,950	23,600	21,600	350	2,350
Construction	500	550	550	- 50	- 50
Manufacturing	3,050	2,750	1,950	300	1,100
Transp.-Comm. & Utilities	2,200	2,200	1,900	0	300
Trade	3,400	3,400	2,900	0	500
Wholesale Trade	300	300	250	0	50
Retail Trade	3,100	3,100	2,650	0	450
Finance-Insurance & Real Estate	1,100	1,200	1,300	-100	-200
Mining, Services & Misc.	3,200	3,200	2,900	0	300
Government 2/	10,500	10,300	10,100	200	400
Federal	2,300	2,300	2,000	0	300
State	4,500	4,500	4,600	0	-100
Local	3,700	3,500	3,500	200	200

1/ Data in this report cover the following census divisions: Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway-Yakutat and Wrangell-Petersburg.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1979.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

plan to build a perimeter road circling Crow Hill and leading toward the top. The people in Douglas have been concerned about the scar the quarry might leave.

The Young Adult Conservation Corp. in the Wrangell vicinity, with a crew of up to 15, cleared a new snowmobile trail, one about 10 feet wide and marked with ribbons. They also installed some bridges on the trail. They have distributed employees to various projects, 2 to the sewage treatment plant, 2 to the public works department, and 6 to the harbors. Six others have been assigned duties in Petersburg. The crews are still at work, weather permitting, on mistletoe eradication and in tree thinning projects. In the past year, more than 350 acres have been thinned. The 1980 schedule calls for thinning 130 more acres. Work is to begin immediately on the construction of float houses to used for housing the crews for off-island jobs this spring and summer. The YACC sign shop has more enrollees to provide the variety of signs needed by the U.S. Forest Service in Alaska. This busy office in Wrangell is administered by the U.S. Forest Service.

In Sitka, 3 men are making collections of marine specimens for research. They are using a fishing boat and plan to travel along the coast of Alaska. The marine specimens will be sold to schools and research laboratories. They are converting a 33 foot boat for the pupose. They hope to expand eventually to a commercial house and laboratory.

Crowley Environmental Service of Anchorage was retained to clean up the oil spill from the freighter Lee Wang Zin that capsized during a Pacific storm and drifted while in Alaskan waters between Prince Rupert and Japan. It is estimated 100,000 gallons of light and heavy oil spilled and concentrations have been found in bays near Ketchikan. The crews have recovered about 7,500 gallons at this time. Agents from state and local governments are working on damage assessments. There are 40 at work in Bond Bay and they are mobilizing for work in Kendrick Bay. More than 20 have been hired through the Ketchikan Employment Center. They are being paid $10.00 an hour. An average of 40 cords of oil soaked driftwood is being burned daily.

The logging scene is picking up as we enter a new decade. Sealaska Timber Corporation (STC) expects to have 75 to 80 people working on it's first logging operation this summer in the Craig--Klawock area. They are advertising for bids from contractors to build roads and log native-owned timber in the Big Salt Lake area of Prince of Wales Island. They need 18 miles of roads and upgrading of the Big Salt highway. About 50 MBF of timber in this area and 10 MBF near Craig will be harvested in the next three years. The STC hopes to harvest 20 MBF of the Sealaska timber in the coming season. The Craig Village Corporation is also cutting 10 MBF. Cutting that amount requires 60 people, an average of 2 for every 1000 board feet. Because they will be producing fine logs for the export market, an additional 20 will be needed as more care is taken. They hope to eventually harvest 10.18 MBF in the Ward Creek Valley this season. The larger logging contractors usually turn out 30 to 35 MBF annually. A log dump and sorting yard will be constructed on Klawock Island near Klawock.

A Juneau Superior Court has given Schnable Lumber the green light for their planned logging in the Haines area this coming summer. The Southeast Alaska Conservation Council had requested a preliminary injunction to block the logging activities. It will mark a start of the first logging operations in the Haines area in several years. The community of Haines has strongly backed the timber sale and Schnable Lumber. All of this is contributing to a rise in employment in the logging industry in Southeast.

The Governor says the state will not subsidize the White Pass and Yukon Railway, but that he would be willing to explore alternatives with the Canadian Government to preserve the economy in Skagway. He says there may be some questions raised as to the legality of using state funds to aid a foreign corporation.

HOURS AND EARNINGS FOR FEBRUARY

By Debbie Berggren

Even though there was a decrease in employment in the food processing sector due to a bad crab season, the average weekly hours increased by 9.5 percent.

Increased activity in the longshore and air transportation sectors contributed greatly to the 7.5 percent increase in earnings for the transportation, communication and utilities industry.

Wage increases in the grocery store sector contributed to the 3.2 percent increase in average weekly earnings for retail trade.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	AVERAGE HOURLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE WEEKLY EARNINGS		
	p/ 2/80	r/ 1/80	2/79	p/ 2/80	r/ 1/80	2/79	p/ 2/80	r/ 1/80	2/79
MINING	19.62	19.89	17.46	49.9	50.6	54.0	979.04	1006.43	942.84
CONTRACT CONSTRUCTION	19.12	19.07	18.90	37.6	39.9	39.7	718.91	760.89	750.33
MANUFACTURING	10.51	10.51	9.75	40.6	39.0	39.1	426.71	409.89	381.23
Food & Kindred Products	6.69	6.76	6.92	40.1	36.3	37.3	268.27	245.39	258.12
Lumber & Paper Products	13.46	13.42	11.73	41.1	42.7	43.7	553.21	573.03	512.60
TRANSPORTATION,COMM. & UTILITIES	13.26	12.26	11.88	35.9	35.5	35.9	476.03	435.23	426.49
TRADE	8.57	8.44	7.96	34.1	34.2	33.4	292.24	288.65	265.86
Wholesale Trade	9.59	9.69	9.36	37.3	38.2	37.1	357.71	370.16	347.26
Retail Trade	8.17	7.96	7.42	33.0	32.8	32.1	269.61	261.09	238.18
FINANCE,INSURANCE & REAL ESTATE	--	--	--	--	--	--	265.90	265.20	251.85

1/ Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor

2/ excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	p/ 2/80	r/ 1/80	2/79	p/ 2/80	r/ 1/80	2/79	p/ 2/80	r/ 1/80	2/79	p/ 2/80	r/ 1/80	2/79
Alaska Statewide	175715	168142	171501	20062	17612	19440	11.4	10.1	11.3	155653	151230	152061
Anchorage-Matsu Region	84801	81903	84141	8372	7190	7990	9.9	8.8	9.3	76431	74713	76151
Anchorage	77451	74841	78753	5979	5855	6556	8.9	7.9	8.3	70572	68996	72197
Matanuska-Susitna	7352	7062	7428	1493	1335	1434	20.3	18.9	19.3	5859	5727	5994
Gulf Coast Region	30547	29574	29141	2889	2417	2738	14.1	12.3	14.3	17659	17157	16403
Cordova	1115	1083	1011	115	112	103	10.3	10.3	10.0	1000	971	928
Kenai	11150	10536	10154	1862	1512	1537	16.7	14.4	15.1	9288	9024	8527
Kodiak	4366	4185	4223	368	300	509	9.4	7.2	12.1	3998	3885	3714
Seward	1482	1436	1431	191	182	232	12.9	12.7	16.2	1291	1254	1199
Valdez	2434	2334	2292	352	311	357	14.5	13.3	15.6	2082	2023	1935
Interior Region	24490	23164	24915	1490	1144	1864	15.1	13.4	15.5	20800	20020	21051
Fairbanks	20023	18943	20525	2921	2482	3216	14.6	13.1	15.7	17102	16461	17309
Southeast Fairbanks	1936	1826	1978	293	254	275	15.2	13.9	14.3	1633	1572	1653
Upper Yukon	486	463	455	116	107	81	23.9	23.1	17.8	370	356	374
Yukon-Koyukuk	2055	1932	2007	360	301	292	17.5	15.6	14.5	1695	1631	1715
Northern Region	9154	8590	7714	487	399	764	5.3	4.7	9.9	8667	8191	6950
Barrow-North Slope	3489	3313	2919	190	164	145	5.4	5.0	5.0	3299	3149	2774
Kobuk	2411	2258	2045	305	247	274	12.7	10.9	13.4	2106	2011	1771
Nome	3254	3019	2752	392	288	345	12.0	9.5	12.5	2862	2731	2407
Southeast Region	26467	25178	25372	3153	2681	4114	11.8	10.6	16.2	23315	22497	22256
Angoon	327	310	331	59	60	86	20.8	19.4	26.0	259	250	245
Haines	775	719	768	127	93	154	16.4	12.9	20.1	648	626	614
Juneau	9309	8839	8817	979	702	840	9.4	7.9	9.5	8330	8137	7977
Ketchikan	6179	5890	5903	733	633	748	11.9	10.7	12.7	5446	5257	5155
Outer Ketchikan	988	918	914	123	104	96	12.4	11.1	10.5	865	814	818
Prince of Wales	1291	1278	1253	167	193	189	12.9	15.1	15.1	1124	1085	1064
Sitka	3483	3326	3315	371	322	359	10.7	9.7	11.1	3112	3004	2946
Skagway	1410	1349	1340	200	181	194	14.2	13.4	14.5	1210	1168	1146
Wrangell-Petersburg	2905	2729	2731	484	393	440	16.7	14.4	16.1	2421	2336	2291
Southwest Region	10074	9411	9196	1071	891	948	10.7	9.1	13.1	9001	8752	7994
Aleutian Islands	2531	2453	2040	163	150	143	6.4	6.1	7.0	2369	2303	1897
Bethel	3360	3201	3707	399	322	335	11.9	10.1	12.4	2961	2879	2371
Bristol Bay Borough	468	447	393	53	44	61	11.3	9.8	15.5	415	403	332
Bristol Bay	1287	1225	1054	133	103	129	10.3	8.4	12.2	1155	1123	925
Kuskokwim	957	908	809	158	131	169	16.5	14.4	20.9	799	777	640
Wade Hampton	1471	1398	1193	169	131	150	11.5	9.4	12.6	1302	1267	1043

p/=Preliminary r/=Revised 1979 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

Appendix

Historical Benchmark Data

Once each year the historical monthly estimates of nonagricultural wage and salary employment and total civilian labor force are revised with the inclusion of more complete information. Previously published data are not comparable with the current monthly data.

The nonagricultural wage and salary employment estimates published in the Trends are produced from a sample survey of employers throughout the state. These sample estimates are revised each year to include data collected from all employers who are covered by Alaska's unemployment insurance law.

The monthly labor force estimates are revised each year to include the updated nonagricultural wage and salary data as well as more current population estimates. The population estimates effect both the level and distribution of the labor force estimates. The 1977 population estimates used last year have been replaced with the more current 1978 estimates.

Several census divisions had significant population shifts between 1977 and 1978. This shift in population had an impact on the distribution of total civilian employment among the affected census divisions.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
ALASKA
1979
MARCH 1979 BENCHMARK

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
TOTAL	154,700	155,100	158,400	163,100	169,300	174,400	180,800	181,400	177,800	172,700	167,700	163,600	168,300*
MINING	5,500	5,600	5,700	5,700	6,000	6,100	5,800	5,800	5,700	5,600	5,600	5,600	5,700
CONSTRUCTION	7,700	7,200	7,500	8,500	9,700	11,300	12,100	13,100	13,200	12,900	10,100	8,300	10,100
MANUFACTURING	6,800	7,300	9,200	10,700	13,200	15,200	20,900	19,400	15,300	12,400	11,000	9,500	12,600
Food & Kindred Prod.	2,900	3,400	4,600	5,300	7,200	8,700	14,000	13,000	8,700	6,200	5,100	4,600	7,100
Lumber	1,600	1,700	2,200	3,100	3,500	3,700	3,700	3,900	4,000	3,800	3,600	2,800	3,100
All Other Mfg.	2,300	2,200	2,400	2,300	2,500	2,800	2,600	2,500	2,600	2,400	2,300	2,100	2,400
TRANSPORTATION	15,500	15,600	15,700	15,900	16,600	17,700	18,000	18,200	18,100	17,100	16,700	16,300	16,800
Trucking & Warehousing	2,000	2,000	2,000	1,900	2,000	2,200	2,200	2,300	2,200	1,800	1,800	1,800	2,000
Water Transportation	900	900	900	1,100	1,300	1,500	1,400	1,500	1,500	1,300	1,100	1,000	1,200
Air Transportation	4,400	4,500	4,500	4,700	5,000	5,400	5,700	5,700	5,600	5,500	5,400	5,200	5,200
Other Transportation	8,200	8,200	8,300	8,200	8,300	8,600	8,700	8,700	8,800	8,500	8,400	8,300	8,400
TRADE	28,200	28,000	28,100	28,700	29,600	30,600	30,800	31,000	30,600	30,200	30,100	30,100	29,700
Wholesale Trade	5,300	5,300	5,300	5,400	5,600	5,800	6,100	6,100	5,800	5,700	5,700	5,600	5,600
Retail Trade	22,900	22,700	22,800	23,300	24,000	24,800	24,900	24,900	24,800	24,500	24,400	24,500	24,000
Genl. Mdse. & Apparel	4,000	3,800	3,800	3,900	4,000	4,200	4,200	4,200	4,300	4,300	4,300	4,400	4,100
Food Stores	3,100	3,200	3,200	3,600	3,700	3,800	3,800	3,800	3,800	3,800	3,800	3,900	3,600
Eating & Drink. Places	8,000	8,000	8,200	8,000	8,200	8,500	8,700	8,700	8,600	8,300	8,100	8,200	8,300
Other Retail Trade	7,800	7,700	7,600	7,800	8,100	8,300	8,200	8,200	8,100	8,100	8,200	8,000	8,000
FINANCE, INS. & REAL EST.	8,500	8,400	8,600	8,500	8,700	8,800	9,000	8,900	8,600	8,600	8,400	8,300	8,600
SERVICES & MISCEL.	28,000	29,200	28,700	29,200	29,700	30,600	31,500	32,200	30,900	30,100	29,900	30,000	30,000
GOVERNMENT	54,500	53,900	54,900	55,900	55,700	54,100	52,700	52,800	55,500	55,800	55,900	55,500	54,800
Federal	17,700	17,500	17,500	17,600	17,800	18,000	18,700	18,800	18,700	18,700	18,800	18,800	18,200
State	14,700	14,400	15,100	15,100	14,700	15,200	15,200	14,800	14,900	15,200	15,000	14,700	14,900
Local	22,100	22,000	22,300	23,200	23,200	20,900	18,800	19,200	21,900	21,900	22,100	22,000	21,700

* Totals may not add due to rounding.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
ANCHORAGE
1979
MARCH 1979 BENCHMARK

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
TOTAL	75,100	75,650	75,600	76,200	77,400	78,750	79,600	80,300	79,650	78,700	76,650	75,400	77,500*
MINING	1,800	1,850	1,900	1,800	1,750	2,050	1,850	2,000	1,950	1,950	1,900	2,000	1,900
CONSTRUCTION	4,500	4,400	4,550	5,000	5,650	6,300	6,700	7,350	7,450	7,050	5,700	5,150	5,800
MANUFACTURING	1,400	1,400	1,450	1,450	1,650	2,000*	2,250*	1,850	1,850	1,600	1,450*	1,350*	1,650
Food Products	300	300	300	300	400	600	850	450	450	300	300	300	400
All Other Manufacturing	1,100	1,100	1,150	1,150	1,250	1,400	1,400	1,400	1,400	1,300	1,150	1,050	1,250
TRANSPORTATION	7,500	7,600	7,600	7,500	7,800	8,330	8,450	8,650	8,450	8,000	7,800	7,700	7,950
Truck. & Warehousing	1,000	1,050*	1,000*	1,050*	1,150*	1,300*	1,200*	1,250	1,200	1,050	1,050*	1,000*	1,100
Water Transp.	250*	250*	300*	350*	350*	400*	350*	350*	400*	350*	350*	300*	350
Air Transportation	2,700	2,700	2,700	2,850	2,950	3,150*	3,150	3,250*	3,200*	3,050*	2,900	2,950*	2,950
Other Transp.	3,550	3,600	3,600	3,250	3,350	3,500	3,750	3,800	3,650	3,550	3,500	3,450	3,550
TRADE	16,950	16,800	16,850	16,550	17,050	17,300	17,250	17,350	17,250	17,200	17,050	16,850	17,050
Wholesale Trade	3,950	3,950	3,950	3,950	4,050	4,150*	4,150	4,200	4,050	4,000	3,950	3,950*	4,050
Retail Trade	13,000	12,850	12,900	12,600	13,000	13,150	13,100	13,150	13,200	13,200	13,100	12,900	13,000
Gen. Mdse. & Appl.	1,800*	1,600*	1,550	1,550*	1,600*	1,650*	1,700*	1,700*	1,650	1,700	1,800*	1,800*	1,700
Food Stores	1,350	1,350	1,350	1,500	1,550	1,550	1,600	1,600	1,650	1,700	1,700	1,700	1,550
Eat. & Drink. Places	5,000	5,100	5,150	4,550	4,700	4,800	4,700*	4,750*	4,850*	4,800*	4,550*	4,400*	4,800
Other Retail Trade	4,850	4,800	4,850	5,000	5,150	5,150	5,100	5,100	5,050	5,000	5,050	5,000	5,000
FINANCE, INSURANCE & R.E.	5,300	5,200	5,250	5,250	5,350	5,400	5,300	5,300	5,150	5,100	5,050	5,000	5,200
SERVICES & MISCELLANEOUS	15,450	16,400	15,750	15,800	15,750	15,800	16,050	16,250	15,800	15,800	15,700	15,400	15,850
GOVERNMENT	22,200	22,000	22,250	22,850	22,400	22,550	21,750	21,550	21,750	22,000	22,000	21,950	22,100
Federal	9,700	9,650	9,700	9,550	9,600	9,750	9,750	9,650	9,450	9,450	9,400	9,450	9,600
State	4,600	4,750	4,850	4,850	4,700	4,700	4,600	4,550	4,700	4,950	4,950	4,900	4,750
Local	7,900	7,600	7,700	8,450	8,100	8,100	7,400	7,350	7,600	7,600	7,650	7,600	7,750

* Totals may not add due to rounding.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
ANCHORAGE MAT-SU
1979
MARCH 1979 BENCHMARK

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
TOTAL	78,050	78,500	78,400	79,150	80,600	83,000	82,400	83,000	82,500	81,700	79,350	78,200	80,450*
MINING	1,800	1,900	1,900	1,800	1,800	2,050	2,150	2,000	1,950	1,950	1,900	2,000	1,950
CONSTRUCTION	4,650	4,550	4,600	5,200	5,900	6,550	6,850	7,350	7,700	7,250	5,800	5,350	6,000
MANUFACTURING	1,450	1,400	1,500	1,450	1,700	2,000	2,250	1,900	1,950	1,650	1,450	1,350	1,650
Food Products	300	300	300	300	400	600	850	450	450	300	300	300	400
All Other Mfg.	1,150	1,100	1,200	1,150	1,300	1,400	1,400	1,450	1,500	1,350	1,150	1,050	1,250
TRANSPORTATION	7,950	7,900	7,950	7,900	8,000	8,600	8,700	8,900	8,800	8,350	8,200	8,050	8,300
Truck. & Warehousing	1,050	1,050	1,000	1,050	1,150	1,300	1,200	1,300	1,250	1,100	1,050	1,000	1,150
Water Transp.	250	250	300	350	350	400	350	350	400	350	350	300	350
Air Transportation	2,800	2,750	2,750	2,900	2,900	3,150	3,200	3,250	3,200	3,050	2,950	2,950	3,000
Other Transp.	3,850	3,850	3,900	3,600	3,600	3,750	3,950	4,000	3,950	3,850	3,850	3,800	3,850
TRADE	17,600	17,500	17,500	17,250	17,850	18,100	17,800	18,050	17,850	17,850	17,700	17,350	17,700
Wholesale Trade	4,000	4,000	4,000	4,000	4,150	4,150	4,200	4,300	4,100	4,100	4,050	3,950	4,100
Retail Trade	13,600	13,500	13,500	13,250	13,700	13,950	13,600	13,750	13,750	13,750	13,650	13,400	13,600
Gen. Mdse. & Appl.	1,800	1,600	1,600	1,550	1,600	1,650	1,700	1,700	1,700	1,750	1,800	1,800	1,700
Food Stores	1,600	1,600	1,600	1,800	1,900	1,900	1,900	1,950	1,950	2,000	2,050	2,050	1,850
Eat. & Drink. Places	5,100	5,200	5,250	4,700	4,850	4,950	4,700	4,750	4,850	4,800	4,550	4,400	4,850
Other Retail Trade	5,100	5,100	5,050	5,200	5,350	5,450	5,300	5,350	5,250	5,200	5,250	5,150	5,250
FINANCE, INS. & R.E.	5,450	5,350	5,450	5,400	5,500	5,550	5,450	5,400	5,300	5,250	5,200	5,200	5,400
SERVICES & MISCEL.	15,850	16,800	16,150	16,150	16,250	16,350	16,350	16,550	16,050	16,100	15,950	15,750	16,200
GOVERNMENT	23,300	23,100	23,350	24,000	23,600	23,800	22,850	22,650	22,900	23,300	23,150	23,150	23,250
Federal	9,800	8,700	9,750	9,650	9,700	9,850	9,850	9,750	9,550	9,550	9,500	9,550	9,700
State	4,950	5,100	5,200	5,200	5,050	5,150	5,050	5,000	5,100	5,400	5,250	5,250	5,150
Local	8,550	8,300	8,400	9,150	8,850	8,800	7,950	7,900	8,250	8,350	8,400	8,350	8,450

* Totals may not add due to rounding.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
FAIRBANKS
1979
MARCH 1979 BENCHMARK

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
TOTAL	20,150	19,850	20,050	20,350	20,750	21,900	22,100	22,100	22,350	22,050	21,100	20,650	21,200*
MINING	50	50	50	50	50	50	50	50	50	50	50	50	50
CONSTRUCTION	1,150	950	950	1,050	1,400	1,900	2,100	2,150	2,100	1,950	1,450	1,200	1,550
MANUFACTURING	450	450	450	450	500	550	550	550	550	500	450	450	500
TRANSPORTATION	2,500	2,450	2,450	2,500	2,550	2,800	2,850	2,800	2,750	2,700	2,650	2,650	2,650
Trucking	400	350	350	350	350	400	450	400	400	400	400	350	400
Air	650	650	700	700	750	850	800	800	750	750	750	750	750
Other	1,450	1,450	1,400	1,450	1,450	1,550	1,600	1,600	1,600	1,550	1,500	1,500	1,500
TRADE	3,800	3,700	3,750	3,900	3,850	3,900	4,050	4,000	3,800	3,850	3,800	3,750	3,850
Wholesale Trade	700	650	700	700	700	700	700	700	700	700	700	650	700
Retail Trade	3,100	3,050	3,050	3,200	3,150	3,200	3,350	3,300	3,100	3,150	3,100	3,100	3,150
Gen. Mdse. & Apparel	450	450	400	400	400	400	450	450	400	400	400	450	400
Food Stores	500	500	500	500	500	500	550	550	550	600	600	600	550
Other	2,150	2,100	2,150	2,300	2,250	2,300	2,350	2,300	2,150	2,150	2,100	2,050	2,200
FINANCE, INSURANCE & R.E.	950	950	950	900	950	900	900	900	900	850	850	800	900
SERVICE & MISCELLANEOUS	3,800	3,900	3,900	4,000	4,250	4,450	4,600	4,700	4,700	4,500	4,350	4,300	4,300
GOVERNMENT	7,450	7,400	7,550	7,500	7,200	7,350	7,000	6,950	7,500	7,650	7,590	7,500	7,400
Federal	2,350	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,150	2,150	2,250
State	2,900	2,950	3,050	3,000	2,650	2,850	2,750	2,750	3,100	3,200	3,100	3,100	2,950
Local	2,200	2,200	2,250	2,250	2,300	2,250	2,000	1,950	2,150	2,250	2,250	2,250	2,200

* Totals may not add due to rounding.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
INTERIOR
1979
MARCH 1979 BENCHMARK

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
TOTAL	23,200	23,100	23,300	24,100	24,950	26,350	26,450	26,200	26,050	25,550	24,500	23,950	24,900*
MINING	100	100	100	100	150	150	150	150	150	150	100	100	150
CONSTRUCTION	1,200	1,000	1,000	1,100	1,500	2,000	2,250	2,350	2,250	2,100	1,550	1,300	1,650
MANUFACTURING	500	500	500	550	750	650	700	700	650	600	550	550	600
TRANSPORTATION	3,350	3,350	3,350	3,400	3,550	3,750	3,850	3,850	3,750	3,700	3,600	3,600	3,600
TRADE	3,950	3,900	3,950	4,250	4,250	4,400	4,250	4,250	4,100	4,050	4,000	3,900	4,100
FINANCE, INS. & R.E.	950	950	950	950	1,000	950	950	950	950	900	900	900	950
SERVICES & MISCEL.	4,000	4,100	4,150	4,450	4,650	4,950	5,100	5,150	5,150	4,750	4,600	4,500	4,650
GOVERNMENT	9,150	9,200	9,300	9,300	9,100	9,500	9,200	8,800	9,050	9,300	9,200	9,100	9,200

* Totals may not add due to rounding.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
SOUTHEAST
1979
MARCH 1979 BENCHMARK

	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
TOTAL	21,500	21,650	22,700	24,800	26,050	26,900	27,700	29,100	27,800	26,250	25,300	24,700	25,400*
CONSTRUCTION	600	550	550	850	900	1,150	1,200	1,300	1,250	1,150	850	750	950
MANUFACTURING	1,850	1,950	2,350	3,450	4,000	4,500	5,300	5,950	5,150	3,950	3,750	3,150	3,800
TRANSPORTATION	1,900	1,900	1,950	2,150	2,450	2,600	2,650	2,850	2,700	2,500	2,300	2,300	2,350
TRADE	2,950	2,900	3,000	3,450	3,600	3,800	3,850	4,000	3,850	3,750	3,600	3,700	3,550
Wholesale	250	250	250	300	300	300	350	400	350	350	350	350	300
Retail	2,700	2,650	2,750	3,150	3,300	3,500	3,500	3,600	3,500	3,400	3,250	3,350	3,200
FINANCE, INS. & R.E.	1,250	1,300	1,350	1,300	1,300	1,250	1,250	1,250	1,250	1,200	1,200	1,250	1,250
MINING, SERV. & MISC.	2,850	2,900	3,050	3,050	3,150	3,300	3,350	3,400	3,300	3,250	3,200	3,250	3,150
GOVERNMENT	10,100	10,150	10,250	10,550	10,650	10,300	10,100	10,350	10,300	10,450	10,600	10,300	10,350
Federal	2,100	2,050	2,050	2,350	2,500	2,600	2,600	2,550	2,600	2,400	2,400	2,400	2,350
State	4,550	4,550	4,650	4,700	4,600	4,500	4,500	4,600	4,550	4,550	4,450	4,350	4,550
Local	3,450	3,550	3,550	3,500	3,550	3,200	3,000	3,200	3,150	3,500	3,550	3,550	3,400

* Totals may not add due to rounding.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	12/79	11/79	10/79	12/79	11/79	10/79	12/79	11/79	10/79	12/79	11/79	10/79
Alaska Statewide	173520	177057	181522	15535	15031	13621	9.0	8.5	7.5	157985	162026	167901
Anchorage-Matsu Region	87716	87639	89776	6663	6462	5989	7.6	7.4	6.6	81053	81177	83987
Anchorage	80208	80300	82389	5368	5346	4932	6.7	6.7	6.0	74840	74954	77457
Matanuska-Susitna	7508	7339	7387	1295	1116	957	17.2	15.2	13.0	6213	6223	6430
Gulf Coast Region	19147	19503	20741	2272	2157	1879	11.9	11.1	9.1	16875	17346	18863
Cordova	1051	1089	1166	96	107	98	9.1	9.8	8.4	955	982	1068
Kenai	10241	10399	11082	1366	1276	1161	13.3	12.3	10.5	8875	9123	9921
Kodiak	4199	4305	4536	378	379	265	9.0	8.8	5.8	3821	3927	4271
Seward	1406	1431	1529	172	163	150	12.2	11.4	9.8	1234	1268	1379
Valdez	2250	2279	2428	260	233	204	11.6	10.2	8.4	1990	2046	2224
Interior Region	24005	24484	24658	2917	2909	2481	12.2	11.9	10.1	21083	21575	22177
Fairbanks	19700	20073	20216	2361	2333	1981	12.0	11.6	9.8	17339	17740	18235
Southeast Fairbanks	1980	1915	1937	224	221	196	11.9	11.5	10.1	1656	1694	1741
Upper Yukon	461	469	472	86	85	79	18.7	19.1	16.5	375	384	394
Yukon-Koyukuk	1964	2027	2033	246	269	226	12.5	13.3	11.1	1718	1758	1807
Northern Region	9345	8313	7691	677	635	562	7.1	7.6	7.3	7668	7678	7129
Barrow-North Slope	3207	3219	3006	147	155	161	4.6	4.8	5.4	3060	3064	2845
Kobuk	2200	2188	2021	246	232	204	11.2	10.6	10.1	1954	1956	1817
Nome	2938	2906	2664	284	248	197	9.7	8.5	7.4	2654	2658	2467
Southeast Region	24986	27601	28760	2180	2056	2055	8.7	7.4	7.1	22806	25545	26705
Angoon	293	320	343	41	38	48	14.0	11.9	14.0	252	282	295
Haines	710	775	807	81	71	71	11.4	9.2	8.8	629	704	736
Juneau	9759	9793	10209	594	637	535	6.8	6.5	6.2	8175	9156	9573
Ketchikan	5864	6352	6623	582	435	438	9.9	6.8	6.6	5282	5917	6185
Outer Ketchikan	907	1048	1103	69	109	121	7.6	10.4	11.0	838	939	982
Prince of Wales	1233	1340	1384	143	119	108	11.6	8.9	7.8	1090	1221	1276
Sitka	3284	3645	3814	266	264	280	8.1	7.2	7.3	3018	3381	3534
Skagway	1321	1466	1498	147	151	123	11.1	10.3	8.2	1174	1315	1375
Wrangell-Petersburg	2605	2862	2979	257	232	230	9.9	8.1	7.7	2348	2630	2749
Southwest Region	9321	9517	9896	826	803	756	8.9	8.4	7.6	8495	8714	9140
Aleutian Islands	2381	2435	2527	145	142	122	6.1	5.8	4.8	2236	2293	2405
Bethel	3091	3157	3282	297	291	275	9.6	9.2	8.4	2794	2866	3007
Bristol Bay Borough	422	431	451	31	30	30	7.3	7.0	6.7	391	401	421
Bristol Bay	1193	1212	1268	103	94	95	8.6	7.8	7.5	1090	1118	1173
Kuskokwim	879	898	924	125	124	112	14.2	13.8	12.1	754	774	812
Wade Hampton	1355	1384	1444	125	122	122	9.2	8.8	8.4	1230	1262	1322

1979 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska'a CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	9/79	8/79	7/79	9/79	8/79	7/79	9/79	8/79	7/79	9/79	8/79	7/79
Alaska Statewide	188097	190512	186895	12494	13376	14507	6.6	7.1	7.8	175603	176136	172379
Anchorage-Matan Region	93788	91407	89805	5556	6309	6486	6.0	6.9	7.2	88232	85193	83319
Anchorage	84497	83355	82390	4668	5202	5430	5.5	6.2	6.5	80019	78563	76960
Matanuska-Susitna	7501	7547	7415	858	1007	1026	11.4	13.4	13.8	5643	6530	6389
Gulf Coast Region	22715	24351	23649	2080	1791	1827	9.2	7.4	7.7	20635	22450	21822
Cordova	1245	1339	1309	78	68	74	6.3	5.1	5.7	1168	1271	1235
Kenai	12100	12971	12606	1247	1158	1129	10.3	8.9	9.0	10853	11813	11477
Kodiak	5096	5338	5187	424	253	246	8.3	4.7	4.7	4672	5085	4941
Seward	1632	1757	1725	123	115	130	7.5	6.5	7.5	1509	1642	1595
Valdez	2642	2846	2822	208	197	248	7.9	6.9	8.8	2434	2649	2574
Interior Region	25133	24930	25517	2033	2392	2744	8.1	9.6	10.8	23099	22538	22773
Fairbanks	20625	20449	20970	1633	1918	2287	7.9	9.4	10.9	18992	18531	18683
Southeast Fairbanks	1961	1948	1955	147	178	171	7.5	9.1	8.7	1814	1770	1784
Upper Yukon	478	480	488	67	79	84	14.0	16.5	17.2	411	401	404
Yukon-Koyukuk	2069	2053	2104	186	217	252	9.0	10.6	12.0	1882	1836	1852
Northern Region	8113	8418	8196	532	627	764	6.6	7.6	9.3	7581	7791	7432
Barrow-North Slope	3195	3288	3176	170	183	214	5.3	5.6	6.7	3025	3105	2962
Kobuk	2098	2218	2172	166	235	281	7.9	10.6	12.9	1932	1983	1891
Nome	2820	2912	2838	196	219	269	7.0	7.5	9.5	2624	2693	2569
Southeast Region	30301	30699	29519	1639	1548	1871	5.4	5.0	6.3	28662	29150	27648
Angoon	350	361	348	34	39	43	9.7	10.8	12.4	316	322	305
Haines	841	858	838	51	54	76	6.1	6.3	9.1	790	804	762
Juneau	10807	10987	10535	534	539	523	4.9	4.9	5.9	10273	10449	9912
Ketchikan	7017	7076	6790	378	324	386	5.4	4.6	5.7	6639	6752	6404
Outer Ketchikan	1127	1134	1082	73	62	66	6.5	5.5	6.1	1054	1072	1016
Prince of Wales	1468	1475	1434	98	82	113	6.7	5.6	7.9	1370	1393	1321
Sitka	4020	4061	3924	225	203	265	5.6	5.0	6.8	3794	3858	3659
Skagway	1563	1596	1540	89	96	117	5.6	6.0	7.6	1475	1500	1423
Wrangell-Petersburg	3108	3150	3028	157	149	182	5.1	4.7	6.0	2951	3001	2846
Southwest Region	9547	9813	10309	684	799	795	7.1	8.1	7.8	8963	9014	9414
Aleutian Islands	2477	2497	2602	118	125	125	4.8	5.0	4.8	2359	2372	2477
Bethel	3186	3257	3407	238	292	310	7.5	9.0	9.1	2948	2965	3097
Bristol Bay Borough	436	436	455	23	21	21	5.3	4.8	4.6	413	415	434
Bristol Bay	1228	1240	1284	78	84	76	6.4	6.8	5.9	1150	1156	1208
Kuskokwim	903	942	979	107	141	143	11.8	15.0	14.6	796	801	836
Wade Hampton	1417	1441	1482	120	135	120	8.5	9.4	8.1	1297	1305	1362

1979 Benchmark

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LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	6/79	5/79	4/79	6/79	5/79	4/79	6/79	5/79	4/79	6/79	5/79	4/79
Alaska Statewide	189182	183494	177012	16587	16301	17488	8.8	8.9	9.9	172595	167193	159524
Anchorage-Matsu Region	92781	89122	87309	7398	6886	7478	8.0	7.7	8.6	85383	82236	79831
Anchorage	85062	81726	79899	6224	5794	6187	7.3	7.1	7.7	78838	75932	73712
Matanuska-Susitna	7719	7396	7410	1174	1092	1291	15.2	14.8	17.4	6545	6304	6119
Gulf Coast Region	23160	22242	20638	2108	2205	2310	9.1	9.9	11.2	21052	20037	18328
Cordova	1285	1239	1132	93	105	95	7.2	8.5	8.4	1192	1134	1037
Kenai	12341	11811	10991	1269	1273	1352	10.3	10.8	12.3	11072	10538	9639
Kodiak	5114	4880	4530	348	343	380	6.8	7.0	8.4	4766	4537	4150
Seward	1670	1624	1504	131	159	164	7.8	9.8	10.9	1539	1465	1340
Valdez	2750	2688	2481	267	325	319	9.7	12.1	12.9	2483	2363	2162
Interior Region	25671	25371	24631	3087	3563	3615	12.0	14.0	14.7	22584	21808	21016
Fairbanks	21162	20926	20287	2592	2995	3007	12.2	14.3	14.8	18570	17931	17280
Southeast Fairbanks	1952	1916	1892	179	204	242	9.2	10.6	12.8	1773	1712	1650
Upper Yukon	470	460	438	69	72	64	14.7	15.7	14.6	401	388	374
Yukon-Koyukuk	2087	2069	2014	247	292	302	11.8	14.1	15.0	1840	1777	1712
Northern Region	8955	8783	8415	807	634	642	9.0	7.2	7.6	8148	8149	7773
Barrow-North Slope	3477	3391	3228	226	139	126	6.5	4.1	3.9	3251	3252	3102
Kobuk	2361	2298	2214	285	222	233	12.1	9.7	10.5	2076	2076	1981
Nome	3117	3094	2973	296	273	283	9.5	8.8	9.5	2821	2821	2690
Southeast Region	29282	28580	27365	2196	1939	2445	7.5	6.8	8.9	27086	26641	24920
Angoon	348	339	339	49	45	64	14.1	13.3	18.9	299	294	275
Haines	859	832	824	112	97	137	13.0	11.7	16.6	747	735	687
Juneau	10418	10158	9630	710	608	697	6.8	6.0	7.2	9708	9550	8933
Ketchikan	6749	6582	6344	475	411	572	7.0	6.2	9.0	6274	6171	5772
Outer Ketchikan	1085	1040	995	89	61	79	8.2	5.9	7.9	996	979	916
Prince of Wales	1410	1386	1328	115	113	137	8.2	8.2	10.3	1295	1273	1191
Sitka	3877	3752	3589	292	226	291	7.5	6.0	8.1	3585	3526	3298
Skagway	1532	1501	1459	138	130	176	9.0	8.7	12.1	1394	1371	1283
Wrangell-Petersburg	3004	2990	2857	216	248	292	7.2	8.3	10.2	2788	2742	2565
Southwest Region	9333	9396	8654	991	1074	998	10.6	11.4	11.5	8342	8322	7656
Aleutian Islands	2364	2348	2165	169	158	150	7.1	6.7	6.9	2195	2190	2015
Bethel	3120	3114	2866	376	376	348	12.1	12.1	12.1	2744	2738	2518
Bristol Bay Borough	415	414	395	31	31	42	7.5	7.5	10.6	384	383	35
Bristol Bay	1189	1218	1107	119	150	125	10.0	12.3	11.3	1070	1068	98
Kuskokwim	899	925	856	158	186	176	17.6	20.1	20.6	741	739	680
Wade Hampton	1346	1377	1265	138	173	157	10.3	12.6	12.4	1208	1204	1108

1979 Benchmark

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LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	3/79	2/79	1/79	3/79	2/79	1/79	3/79	2/79	1/79	3/79	2/79	1/79
Alaska Statewide	174475	171521	167724	18884	19480	18723	10.8	11.3	11.2	155587	152041	149001
Anchorage-Matsu Region	83528	86181	85043	7352	7990	7977	8.8	9.3	9.4	76176	78191	77066
Anchorage	76495	78753	77659	6158	6556	6482	8.1	8.3	8.3	70337	72197	71177
Matanuska-Susitna	7033	7428	7404	1194	1434	1495	17.0	19.3	20.2	5839	5994	5909
Gulf Coast Region	20748	19141	18539	2557	2738	2711	12.3	14.3	14.6	18191	16403	15827
Cordova	1141	1031	1005	132	103	109	11.4	10.0	10.8	1009	928	896
Kenai	11070	10164	9857	1508	1537	1533	13.6	15.1	15.6	9562	8627	9324
Kodiak	4414	4223	4044	298	509	461	6.8	12.1	11.4	4116	3714	3583
Seward	1512	1431	1401	183	232	244	12.1	16.2	17.4	1329	1199	1157
Valdez	2581	2292	2231	436	357	364	16.9	15.6	16.3	2145	1935	1867
Interior Region	25587	24915	24592	3840	3964	3714	15.0	15.5	15.1	21747	21051	20878
Fairbanks	20966	20525	20247	3085	3216	3080	14.7	15.7	15.2	17880	17309	17157
Southeast Fairbanks	2016	1928	1906	308	275	267	15.3	14.3	14.0	1709	1653	1639
Upper Yukon	477	455	443	90	81	72	18.9	17.8	16.3	387	374	371
Yukon-Koyukuk	2128	2007	1996	356	292	295	16.7	14.5	14.8	1772	1715	1701
Northern Region	9350	7716	7477	801	764	726	8.6	9.9	9.7	7549	6952	6751
Barrow-North Slope	3157	2919	2827	145	145	133	4.6	5.0	4.7	3012	2774	2694
Kobuk	2208	2045	1984	284	274	264	12.9	13.4	13.3	1924	1771	1720
Nome	2985	2752	2666	372	345	329	12.5	12.5	12.3	2613	2407	2337
Southeast Region	27141	25372	24457	3112	3116	2656	11.5	12.3	10.9	24029	22256	21801
Angoon	362	331	304	97	86	64	26.8	26.0	21.1	265	245	240
Haines	846	768	713	193	154	112	21.6	20.1	15.7	663	614	601
Juneau	9486	8817	8520	873	840	704	9.2	9.5	8.3	8613	7977	7816
Ketchikan	5093	5903	5747	527	748	698	9.6	12.7	12.1	5566	5155	5049
Outer Ketchikan	995	914	894	112	96	92	11.3	10.5	10.3	883	818	802
Prince of Wales	1346	1253	1216	198	189	174	14.7	15.1	14.3	1148	1064	1042
Sitka	3559	3315	3172	379	369	287	10.6	11.1	9.0	3180	2946	2885
Skagway	1481	1340	1282	244	194	160	16.5	14.5	12.5	1237	1146	1122
Wrangell-Petersburg	2973	2731	2609	499	440	365	16.8	16.1	14.0	2474	2291	2244
Southwest Region	9131	8196	7597	1226	988	939	13.4	12.1	12.4	7905	7208	6658
Aleutian Islands	2255	2040	1882	175	143	130	7.8	7.0	6.9	2080	1897	1752
Bethel	3016	2707	2512	416	336	322	13.8	12.4	12.8	2600	2371	2190
Bristol Bay Borough	433	393	363	69	61	56	15.9	15.5	15.4	364	332	307
Bristol Bay	1182	1054	971	168	129	117	14.2	12.2	12.0	1014	925	854
Kuskokwim	916	809	748	214	169	157	23.4	20.9	21.0	702	640	591
Wade Hampton	1329	1193	1121	184	150	157	13.8	12.6	14.0	1145	1043	964

1979 Benchmark

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LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	12/78	11/78	10/78	12/78	11/78	10/78	12/78	11/78	10/78	12/78	11/78	10/78
Alaska Statewide	176762	179220	182667	19530	19598	18474	11.0	10.9	10.1	157232	159622	164193
Anchorage-Matsu Region	88814	88822	90887	7800	7731	7346	8.8	8.7	8.1	81014	81091	83541
Anchorage	81320	81236	83257	6516	6361	6120	8.0	7.8	7.4	74804	74875	77137
Matanuska-Susitna	7494	7586	7630	1284	1370	1226	17.1	18.1	16.1	6210	6216	6404
Gulf Coast Region	19564	19947	20422	2746	2688	2569	14.0	13.5	12.6	16818	17259	17853
Cordova	1069	1095	1125	117	118	114	10.9	10.8	10.1	952	977	1011
Kenai	10291	10554	10849	1446	1477	1459	14.1	14.0	13.4	9845	9077	9390
Kodiak	4222	4324	4374	414	416	332	9.8	9.6	7.6	3808	3908	4042
Seward	1510	1501	1564	280	239	259	18.5	15.9	16.6	1230	1262	1305
Valdez	2472	2473	2510	489	438	405	19.8	17.7	16.1	1983	2035	2105
Interior Region	25103	25729	26076	4023	4163	4223	16.0	16.2	16.2	21080	21566	21853
Fairbanks	20584	21131	21452	3252	3398	3484	15.8	16.1	16.2	17332	17733	17968
Southeast Fairbanks	1971	2011	2044	316	318	328	16.0	15.8	16.0	1655	1693	1716
Upper Yukon	489	493	499	114	110	111	23.3	22.3	22.2	375	383	388
Yukon-Koyukuk	2059	2094	2081	341	337	300	16.6	16.1	14.4	1718	1757	1781
Northern Region	8458	8451	8684	817	796	755	9.7	9.4	8.7	7641	7655	7929
Barrow-North Slope	3212	3218	3329	163	163	165	5.1	5.1	5.0	3049	3055	3164
Kobuk	2255	2250	2322	308	299	302	13.7	13.3	13.0	1947	1951	2020
Nome	2991	2983	3033	346	334	288	11.6	11.2	9.5	2645	2649	2745
Southeast Region	26044	26425	26786	3061	3246	2703	11.8	12.3	10.1	22983	23179	24083
Angoon	335	344	349	82	88	83	24.5	25.6	23.8	253	256	266
Haines	754	757	770	120	118	106	15.9	15.6	13.8	634	639	664
Juneau	9037	9230	9478	798	922	845	8.8	10.0	8.9	8239	8308	8633
Ketchikan	6096	6176	6111	773	807	533	12.7	13.1	8.7	5323	5369	5578
Outer Ketchikan	938	949	1003	93	97	118	9.9	10.2	11.8	845	852	885
Prince of Wales	1298	1329	1319	200	221	168	15.4	16.6	12.7	1098	1108	1151
Sitka	3385	3417	3496	343	349	309	10.1	10.2	8.8	3042	3068	3187
Skagway	1373	1400	1406	190	207	166	13.8	14.8	11.8	1183	1193	1240
Wrangell-Petersburg	2828	2823	2854	462	437	375	16.3	15.5	13.1	2366	2386	2479
Southwest Region	8779	9846	9812	1083	974	878	12.3	9.9	8.9	7696	8872	8934
Aleutian Islands	2179	2476	2463	154	141	112	7.1	5.7	4.5	2025	2335	2351
Bethel	2926	3278	3287	394	360	348	13.5	11.0	10.6	2532	2918	2939
Bristol Bay Borough	412	457	446	58	48	35	14.1	10.5	7.8	354	409	411
Bristol Bay	1123	1252	1237	136	114	91	12.1	9.1	7.4	987	1138	1146
Kuskokwim	843	931	930	159	143	137	18.9	15.4	14.7	684	788	793
Wade Hampton	1296	1452	1449	182	168	155	14.0	11.6	10.7	1114	1284	1294

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LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	9/78	8/78	7/78	9/78	8/78	7/78	9/78	8/78	7/78	9/78	8/78	7/78
Alaska Statewide	183948	187799	187631	17193	18137	19075	9.3	9.7	10.2	167755	169662	168756
Anchorage-Matsu Region	90566	89991	90367	7422	7811	8014	8.2	8.7	8.9	83144	82180	82353
Anchorage	82944	82330	82718	6173	6450	6678	7.4	7.8	8.1	76771	75880	76040
Matanuska-Susitna	7622	7661	7649	1249	1361	1336	16.4	17.8	17.5	6373	6300	6313
Gulf Coast Region	21339	23347	23217	2254	2240	2381	10.6	9.6	10.3	19085	21107	20836
Cordova	1156	1268	1265	76	73	86	6.6	5.8	6.8	1080	1195	1179
Kenai	11365	12456	12406	1327	1355	1447	11.7	10.9	11.7	10038	11101	10959
Kodiak	4648	5051	5022	327	272	304	7.0	5.4	6.1	4321	4779	4718
Seward	1600	1731	1730	205	188	197	12.8	10.9	11.5	1395	1543	1523
Valdez	2570	2841	2804	319	352	347	12.4	12.4	12.4	2251	2489	2457
Interior Region	26661	27822	28054	3793	4449	4504	14.2	16.0	16.1	22868	23374	23550
Fairbanks	21937	22875	23070	3135	3657	3707	14.3	16.0	16.1	18802	19218	19363
Southeast Fairbanks	2085	2180	2177	289	345	328	13.9	15.8	15.1	1796	1835	1849
Upper Yukon	511	549	545	104	133	126	20.4	24.2	23.1	407	416	419
Yukon-Koyukuk	2128	2218	2262	265	313	343	12.5	14.1	15.2	1863	1905	1919
Northern Region	8387	9008	7913	642	725	810	7.7	9.1	10.2	7745	7283	7103
Barrow-North Slope	3238	3088	3059	147	182	225	4.5	5.9	7.4	3091	2906	2834
Kobuk	2223	2134	2121	250	278	311	11.2	13.0	14.7	1973	1856	1810
Nome	2926	2786	2733	245	265	274	8.4	9.5	10.0	2681	2521	2459
Southeast Region	28405	28451	28615	2313	2221	2666	8.1	7.8	9.3	26092	26230	25949
Angoon	364	358	362	76	69	76	20.9	19.3	21.0	288	289	286
Haines	824	809	821	105	86	105	12.7	10.6	12.8	719	723	716
Juneau	10123	10178	10200	769	775	898	7.6	7.6	8.8	9354	9403	9302
Ketchikan	6521	6564	6562	478	489	552	7.3	7.4	8.4	6043	6075	6010
Outer Ketchikan	1045	1045	1073	86	81	119	8.2	7.8	11.1	959	964	954
Prince of Wales	1378	1368	1377	131	114	137	9.5	8.3	9.9	1247	1254	1240
Sitka	3759	3772	3767	306	300	333	8.1	8.0	8.8	3453	3472	3434
Skagway	1488	1481	1519	145	131	182	9.7	8.8	12.0	1343	1350	1336
Wrangell-Petersburg	2903	2876	2935	217	176	264	7.5	6.1	9.0	2686	2700	2671
Southwest Region	9590	10180	9665	769	692	700	8.0	6.8	7.2	8821	9488	8965
Aleutian Islands	2429	2600	2472	108	103	113	4.4	4.0	4.6	2321	2497	2359
Bethel	3203	3407	3234	301	286	285	9.4	8.4	8.8	2902	3121	2949
Bristol Bay Borough	439	458	437	33	21	24	7.5	4.6	5.5	406	437	413
Bristol Bay	1215	1283	1221	83	66	71	6.8	5.1	5.8	1132	1217	1150
Kuskokwim	891	937	894	108	94	88	12.1	10.0	10.0	783	843	796
Wade Hampton	1413	1495	1417	136	122	119	9.6	8.2	8.4	1277	1373	1298

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LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	6/78	5/78	4/78	6/78	5/78	4/78	6/78	5/78	4/78	6/78	5/78	4/78
Alaska Statewide	190312	186305	180350	21094	22315	21406	11.1	12.0	11.9	169218	163990	158944
Anchorage-Matsu Region	91530	91479	88534	8398	8827	8520	9.2	9.6	9.6	83132	82652	80014
Anchorage	83889	83801	81096	7129	7485	7215	8.5	8.9	8.9	76760	76316	73881
Matanuska-Susitna	7641	7678	7438	1269	1342	1305	16.6	17.5	17.5	6372	6336	6133
Gulf Coast Region	23170	21425	20692	2975	3022	2943	12.8	14.1	14.2	20195	18403	17749
Cordova	1246	1158	1112	103	116	107	8.3	10.0	9.6	1143	1042	1005
Kenai	12340	11317	10991	1719	1638	1656	13.9	14.5	15.1	10621	9679	9335
Kodiak	5018	4676	4414	446	509	395	8.9	10.9	8.9	4572	4167	4019
Seward	1724	1603	1547	247	257	249	14.3	16.0	16.1	1477	1346	1298
Valdez	2842	2671	2628	460	502	536	16.2	18.8	20.4	2382	2169	2092
Interior Region	28498	27749	26961	5280	5599	5236	18.5	20.2	19.4	23218	22150	21725
Fairbanks	23468	22888	22232	4378	4676	4369	18.7	20.4	19.7	19090	18212	17863
Southeast Fairbanks	2204	2106	2035	381	367	329	17.3	17.4	16.2	1823	1739	1706
Upper Yukon	551	520	509	138	126	123	25.0	24.2	24.2	413	394	386
Yukon-Koyukuk	2275	2235	2185	383	430	415	16.8	19.2	19.0	1892	1805	1770
Northern Region	8784	8568	8139	967	961	916	11.0	11.2	11.3	7817	7607	7223
Barrow-North Slope	3377	3259	3073	258	224	191	7.6	6.9	6.2	3119	3035	2882
Kobuk	2347	2310	2201	355	372	361	15.1	16.1	16.4	1992	1938	1840
Nome	3060	2999	2865	354	365	364	11.6	12.2	12.7	2706	2634	2501
Southeast Region	28403	27398	26525	2630	2722	2772	9.3	9.9	10.5	25773	24676	23753
Angoon	333	322	300	49	50	38	14.7	15.5	12.7	284	272	262
Haines	849	821	798	138	141	143	16.3	17.2	17.9	711	680	655
Juneau	10116	9670	9281	878	823	767	8.7	8.5	8.3	9238	8847	8514
Ketchikan	6456	6363	6196	487	648	694	7.5	10.2	11.2	5969	5715	5502
Outer Ketchikan	1109	1055	1025	161	148	152	14.5	14.0	14.8	948	907	873
Prince of Wales	1332	1291	1250	100	112	115	7.5	8.7	9.2	1232	1179	1135
Sitka	3736	3546	3422	325	280	278	8.7	7.9	8.1	3411	3266	3144
Skagway	1505	1467	1437	178	197	214	11.8	13.4	14.9	1327	1270	1223
Wrangell-Petersburg	2967	2863	2816	314	323	371	10.6	11.3	13.2	2653	2540	2445
Southwest Region	9927	9686	9499	844	1184	1019	8.5	12.2	10.7	9083	8502	8480
Aleutian Islands	2543	2426	2405	153	189	173	6.0	7.8	7.2	2390	2237	2232
Bethel	3324	3244	3143	336	447	354	10.1	13.8	11.3	2988	2797	2789
Bristol Bay Borough	453	426	432	35	34	41	7.7	8.0	9.5	418	392	391
Bristol Bay	1263	1262	1242	98	171	154	7.8	13.5	12.4	1165	1091	1088
Kuskokwim	992	874	865	95	119	112	9.5	13.6	12.9	897	755	753
Wade Hampton	1452	1454	1412	137	224	185	9.4	15.4	13.1	1315	1230	1227

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LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	3/79	2/79	1/79	3/79	2/79	1/79	3/79	2/79	1/79	3/79	2/79	1/79
Alaska Statewide	176254	170933	168418	22162	20306	20709	12.6	11.9	12.3	154092	150627	147909
Anchorage-Matsu Region	87644	85475	84887	8965	7707	8089	10.2	9.0	9.5	78679	77768	76798
Anchorage	80194	78177	77647	7546	6370	6736	9.4	8.1	8.7	72648	71807	70911
Matanuska-Susitna	7450	7298	7240	1419	1337	1353	19.0	18.3	18.7	6031	5961	5887
Gulf Coast Region	19837	19189	19835	2992	2958	2925	15.1	15.4	15.7	16845	16231	15711
Cordova	1060	1047	1014	107	128	125	10.1	12.2	12.3	953	919	889
Kenai	10592	10139	9858	1732	1602	1595	16.4	15.8	16.2	8860	8537	8263
Kodiak	4165	4055	3925	351	380	368	8.4	9.4	9.4	3814	3675	3557
Seward	1475	1413	1395	243	226	246	16.5	16.0	17.6	1232	1187	1149
Valdez	2545	2535	2444	559	622	591	22.0	24.5	24.2	1986	1913	1853
Interior Region	26607	25710	25703	5253	4764	4871	19.7	18.5	19.0	21354	20946	20833
Fairbanks	21913	21077	21210	4356	3855	4081	19.9	18.3	19.2	17557	17222	17129
Southeast Fairbanks	2012	1994	1960	335	349	324	16.7	17.5	16.5	1677	1645	1636
Upper Yukon	495	496	478	115	124	108	23.2	25.0	22.6	380	372	370
Yukon-Koyukuk	2187	2143	2055	447	436	358	20.4	20.3	17.4	1740	1707	1697
Northern Region	7903	7725	7511	854	821	796	10.8	10.6	10.6	7049	6904	6715
Barrow-North Slope	2991	2925	2861	178	170	181	6.0	5.8	6.3	2813	2755	2680
Kobuk	2134	2074	2006	338	315	295	15.8	15.2	14.7	1796	1759	1711
Nome	2778	2726	2644	338	336	320	12.2	12.3	12.1	2440	2390	2324
Southeast Region	25545	24799	24412	2992	3127	3127	11.7	12.6	12.8	22554	21672	21285
Angoon	295	301	285	46	62	50	15.6	20.6	17.5	249	239	235
Haines	778	794	766	156	196	179	20.1	24.7	23.4	622	598	587
Juneau	8902	8539	8383	818	771	754	9.2	9.0	9.0	8084	7768	7629
Ketchikan	5935	5664	5729	711	644	799	12.0	11.4	13.9	5224	5020	4930
Outer Ketchikan	1005	1011	952	176	214	169	17.5	21.2	17.8	829	797	783
Prince of Wales	1218	1205	1179	140	169	162	11.5	14.0	13.7	1078	1036	1017
Sitka	3292	3208	3147	307	340	330	9.3	10.6	10.5	2985	2868	2817
Skagway	1370	1340	1308	209	225	212	15.3	16.8	16.2	1161	1115	1096
Wrangell-Petersburg	2751	2737	2663	429	506	472	15.6	18.5	17.7	2322	2231	2191
Southwest Region	9717	8035	7469	1104	929	901	12.7	11.6	12.1	7611	7106	6568
Aleutian Islands	2191	2015	1909	188	145	181	8.6	7.2	9.5	2003	1870	1728
Bethel	2892	2674	2366	388	336	205	13.4	12.6	8.7	2504	2338	2161
Bristol Bay Borough	402	372	355	51	45	53	12.7	12.1	14.9	351	327	302
Bristol Bay	1150	1060	1002	174	148	159	15.1	14.0	15.9	976	912	843
Kuskokwim	801	738	720	125	107	137	15.6	14.5	19.0	676	631	583
Wade Hampton	1281	1176	1117	180	148	166	14.1	12.6	14.9	1101	1029	951

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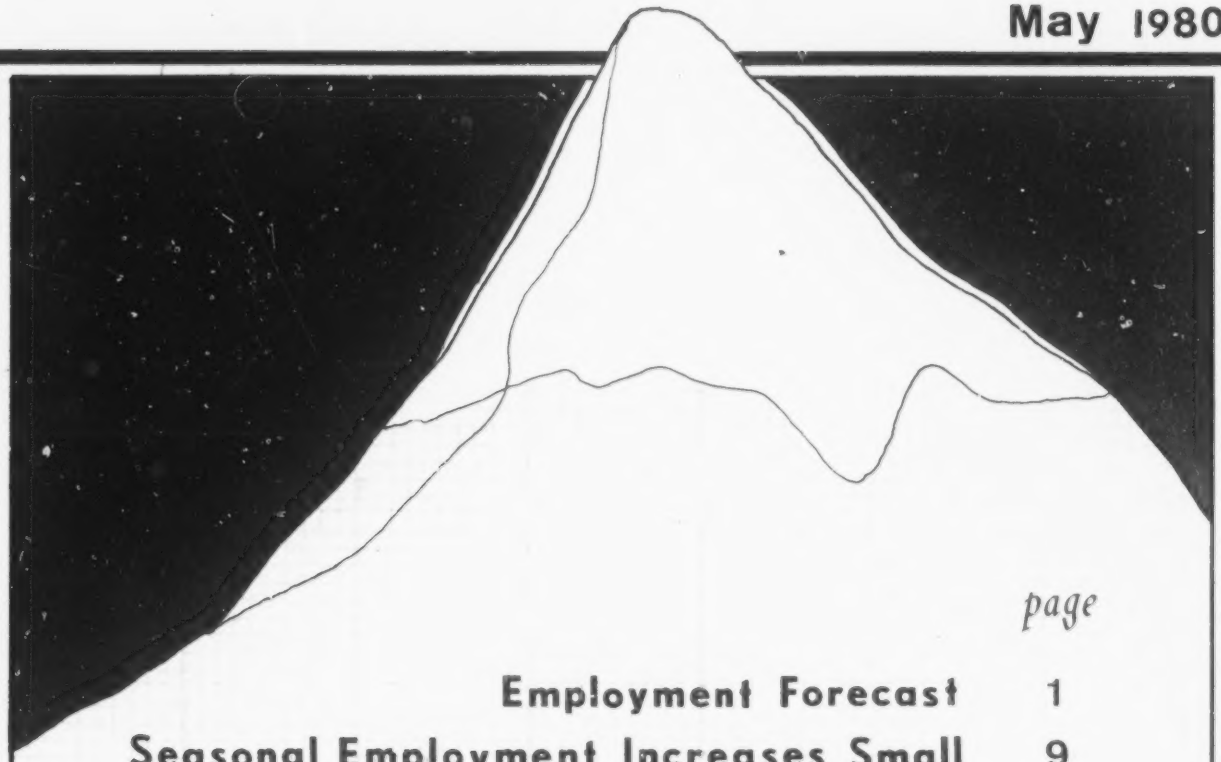
ALASKA ECONOMIC TRENDS

May 1980



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STATE OF ALASKA · DEPARTMENT OF LABOR
RESEARCH AND ANALYSIS SECTION
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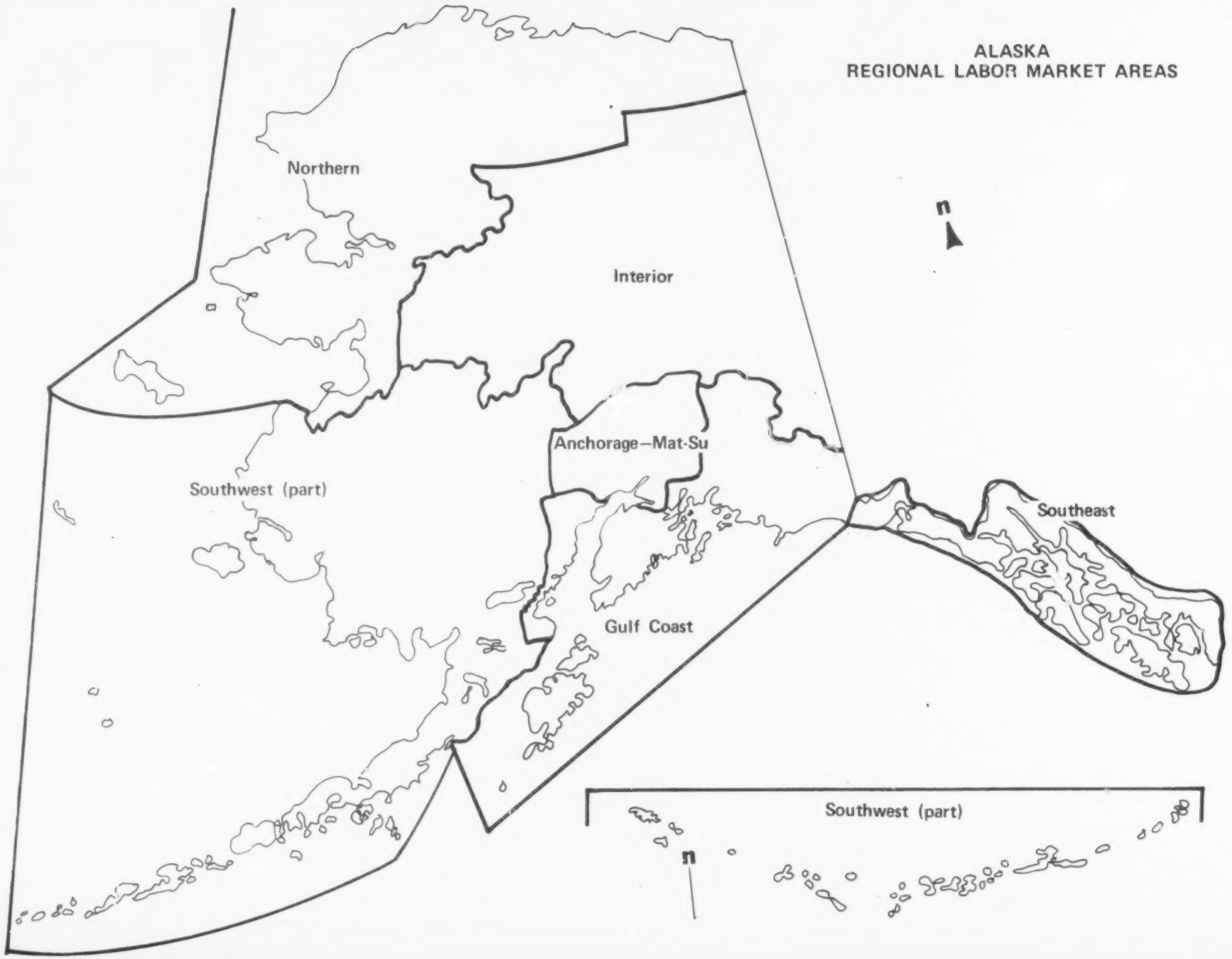
ALASKA
REGIONAL LABOR MARKET AREAS
Northern
Interior
Anchorage–Mat-Su
Southwest (part)
Southeast
Gulf Coast
Southwest (part)

ALASKA ECONOMIC TRENDS

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May 1980

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STATEWIDE
EMPLOYMENT FORECAST

By Stephen Harrison

During the 1970's, total nonagricultural wage and salary employment nearly doubled in Alaska. In the single year between 1973 and 1974, Alaska employment grew a phenomenal 26 percent. Over the entire interval between 1970 and 1979, Alaska employment expanded at an average rate of 7 percent per year. Despite record state capital and operating expenditures, the rate of Alaska wage and salary employment growth through 1981 is expected to amount to a moderate 3 percent (or one-third of the comparable rate from the 1970's).

Major projects such as the proposed gas pipeline and the Alpetco Project have not been included in the base case scenario presented here. Direct gasline construction employment is estimated to peak at 6,800 workers during the second year of the project. The Alpetco Project is expected to peak at 2,300 construction workers. Presently, however, the timing of projects is uncertain and we do not have the final information needed to elaborate year-by-year impacts on the state's economy. The Alaska Department of Commerce estimates that if the Gasline, the Pacific Alaska natural gas plant in Kenai, and the Alpetco plant in Valdez were all timed to peak in the same year, a peak of approximately 11,000 construction jobs would result. The total impact would amount to 38,000 jobs. It is felt that these three projects combined may have about one half the direct impact of the now completed oil pipeline. As additional information becomes available to us, we will produce updated reports to keep these forecasts current.

All in all, even without including these major projects in our analysis, the economy of Alaska should undergo an interval of moderate but continuous growth through 1981. The overall wage and salary employment growth rate is expected to proceed at approximately 3 percent per year for 1980 and 1981. Average growth rates forecasted for individual industries range between 0.5 percent up to 13 percent annually.

Of the basic pace-setting industries, mining will lead with 13 percent annual growth. Although only 1 of every 30 Alaskan workers is employed in mining, the industry plays an important role in the Alaska economy. In 1978, oil and gas mining amounted to 93 percent of total mining, with hardrock mining comprising the balance. Three phases of oil mining activity (exploration, development, production) contrast sharply in terms of employment requirements. Prudhoe Bay is currently in the high employment "development phase" and will remain so throughout the forecast period. Work will soon begin on a new brine injection system to maintain oil pressure at Prudhoe Bay.

With the price of gold and certain other metals reaching record levels, new hardrock mining activity becomes more economically feasible. Depending upon the outcome of D-2 legislation and national economic factors, growth in hardrock mining may become very strong. Because hardrock mining comprises only seven percent of mining in the state, changes in hardrock mining employment will not noticeably change the picture for the entire mining industry.

Construction may be another high growth pace setter through 1981 expanding at nearly 8.5 percent per year. This forecasted growth rate reflects the impact of record capital funding levels by the state. Base case growth in construction could be substantial even without consideration of major projects now waiting for the go ahead. Due to lags involved, impacts of election year spending will be slow to start but will probably continue to stimulate the construction industry for several years to come. Thus the outlook is for increasingly strong growth in construction; an industry which now employs one out of every thirteen working Alaskans.

Manufacturing comprises seven percent of total wage and salary employment in Alaska. Our short-range forecasts show manufacturing growing less rapidly than during the 1970's. Larger salmon runs, anticipated increases in processing capability, planned developments in bottomfish processing and marketing are expected to support growth in the food processing industry over the long term. Factors such as the current surplus of frozen salmon and the specter of lower prices expected to be offered to fishermen for their catch will contribute an element of uncertainty in the near term. In addition, record high interest rates may dampen employment growth in food processing. Those processors who rely on borrowed capital to finance their annual operations, may not be able to obtain needed funds at acceptable interest rates. One major processor (New England Fish Co.) has been especially hard hit by financial problems and has in fact initiated bankruptcy proceedings.

One of every six manufacturing workers is involved in logging, lumber, and pulp processing. Nationwide this industry has been another victim of high interest rates which have triggered a residential construction slowdown. In Alaska however, the wood products industry primarily supplies a Japanese market for wood products. Over the forecast period, growth is expected in this industry. While logging on federal lands should be stable, Sealaska and other native corporations are preparing to harvest timber on their lands. The outlook calls for steady growth in wood products and in the manufacturing industry as a whole.

The model forecast shows that government is expected to follow an employment growth pattern of 2.3 percent increase per year through 1981. Every third working Alaskan is attached to the public sector. Local government, which increased at a rapid 11 percent rate during the 1970's, will slow to a moderate 3.5 percent during the forecast period. State government growth is expected to moderate somewhat from the 5 percent rate of the 1970's to a rate of roughly 3 percent out to 1981, where federal government is likely to pursue a constant 1.5 percent gain per year.

Mining, manufacturing, construction, and government comprise 50 percent of wage and salary employment statewide. As these industries take on additional workers during the forecast period,additional employment growth may be expected in the support industries. Support industries are those which primarily serve the needs of Alaskans and Alaskan industry.

Transportation will likely slow from its historical growth rate of 6 percent to 3 percent per year during the forecast period. Increased transportation capacity will be necessary to support anticipated levels of construction and mining activity. However, this industry's employment growth should be somewhat modest over the next 2 years.

Employment in trade will grow at nearly 3 percent per year over the forecast period. Both wholesale and retail are likely to expand at similar rates. As tax rebates and other cash transfers are made to citizens of Alaska it is likely that trade will be positively stimulated.

Public utilities employment is expected to slow to a 4.5 percent rate of growth throughout the forecast period. Public utilities employment ordinarily exhibits a very uniform rate of growth with little display of seasonality or response to general cyclical economic conditions. Public utility employment should trace a relatively smooth path from 1400 jobs in the year 1979 to 1550 jobs in the year 1981.

Finance, insurance, and real estate which added jobs at an annual rate of 11 percent during the 70's is expected to grow at a very modest rate of 1.7 percent per year during 1980 and 1981. This industry which has been bolstered by economic stimulus has also been resistent to decline in the past two years. As a whole the industry appears able to expand during periods of growth without becoming over extended. Finance, insurance and real estate should grow from 8100 jobs today to 8250 by the year 1981.

In sum, we anticipate total wage and salary employment growth in Alaska from today's 166,000 to 177,000 by 1981. On an industry by industry basis we should see relatively steady increase across the boards.

ANCHORAGE
EMPLOYMENT FORECAST

By Stephen Harrison

Anchorage employment, stimulated by construction of the trans-Alaska pipeline, expanded at a rate of 17 percent per year from 1973 to 1975. This rate of expansion slowed to a moderate growth of 5.5 percent for 2 years during wind down and completion of the pipeline. The 2 post-pipeline years of 1978 and 1979 saw growth of Anchorge employment come to a stand still.

An economic gap followed in the wake of pipeline completion which new public and private construction activities are now filling. This is expected to result in a net employment gain for Anchorge during 1980 and 1981, of 2.7 and 4.1 percent respectively.

Over the next two years, it is anticipated that 5,300 new jobs will be created in Anchorage. Similar to the statewide forecast, construction and construction related manufacturing are expected to be high growth rate industries. Government is expected to grow at the lowest rate.

Possible reductions in new federal highway construction funding should be offset by spending for increased state capital improvements. Manufacture of building materials such as concrete block may also pick up. Retail trade should receive a boost from the planned opening of the new Northway Mall.

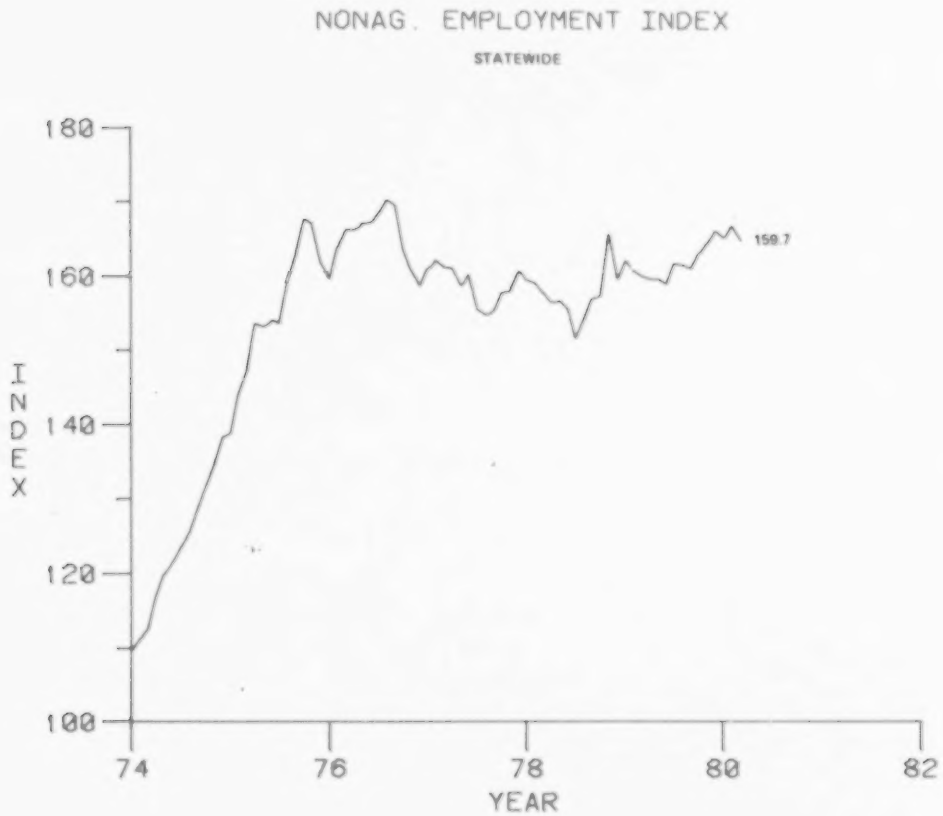
Overall, Anchorage should see an end to current economic doldrums during 1980, and the beginning of a new growth period during 1981.

ALASKA'S LABOR FORCE IN MARCH

By Sally Saddler

Keeping pace with the moderate rate of growth predicted for 1980, wage and salary employment had 5,300 more workers (3.2 percent) than last March. Employment in all industries increased over the year with the exception of the finance and real estate sector which had 450 fewer workers (5.2 percent). While projections call for a moderate increase in employment in the finance sector, it was not surprising that it has been roughly 4 percent lower than last year given a current prime lending rate that was hovering at 20 percent.

The most dynamic annual increase in employment occurred in the number of persons who harvest timber and manufacture wood products. Total timber related employment increased 1,050 workers (47.0 percent). One-half of this increase occurred in the number of jobs available in logging camps and with logging contractors. Another 30 percent was attributed to the increased activity in pulp mills. These increases were extraordinary at a time during which the national wood products market has been severely depressed. Alaska's burst of activity can be attributed to two factors, both of which are linked to a highly developed international market. First, efforts by logging companies to cultivate export relations with Japan, Argentina, Korea and other foreign nations have contributed to the ability to



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

	p/ 3/80	r/ 2/80	3/79	Changes From: 2/80	3/79
Nonagricultural Wage & Salary.....	163,600	161,400	158,400	2,200	5,200
Mining.....	6,200	6,000	5,700	200	500
Construction.....	7,900	7,400	7,500	500	400
Manufacturing.....	9,800	9,100	9,200	700	600
Food & Kindred Products.....	4,300	4,100	4,600	200	-300
Lumber & Paper Products.....	3,300	2,900	2,200	400	1,100
All Other Manufacturing.....	2,200	2,100	2,400	100	-200
Transp.-Comm. & Utilities.....	16,200	16,300	15,700	-100	500
Trucking & Warehousing.....	1,600	1,700	2,000	-100	-400
Water Transportation.....	1,000	1,000	900	0	100
Air Transportation.....	5,200	5,200	4,500	0	700
Other Transp.-Comm. & Utilities..	8,400	8,400	8,300	0	100
Trade.....	28,800	28,500	28,100	300	700
Wholesale Trade.....	5,400	5,300	5,300	100	100
Retail Trade.....	23,400	23,200	22,800	200	600
General Merchandise & Apparel..	3,800	3,900	3,800	-100	0
Food Stores.....	3,600	3,500	3,200	100	400
Eating & Drinking Places.....	8,200	8,100	8,200	100	0
Other Retail Trade.....	7,800	7,700	7,600	100	200
Finance-Insurance & Real Estate....	8,100	8,200	8,600	-100	-500
Services & Miscellaneous.....	30,800	30,400	28,700	400	2,100
Government 2/.....	55,800	55,500	54,900	300	900
Federal.....	18,400	18,300	17,500	100	900
State.....	15,000	14,900	15,100	100	-100
Local.....	22,400	22,300	22,300	100	100

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

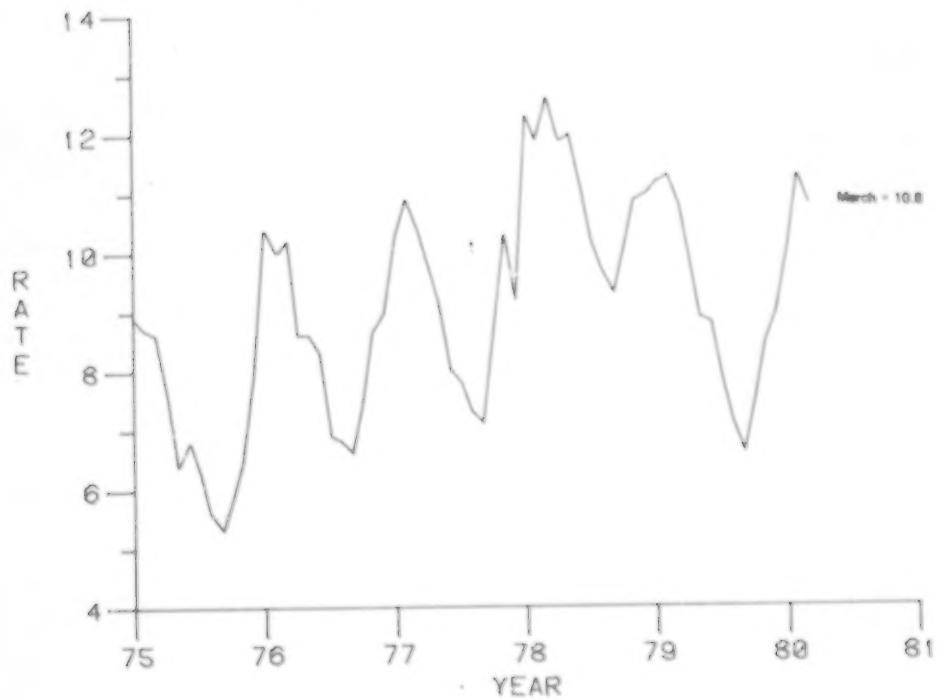
p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

support continued logging endeavors during a period of slow housing activity and weak demand for general building construction. Secondly, the export of round logs harvested from native-owned land (a practice prohibited on state and federally owned land). Because round logs do not require any primary processing this has created an incentive for native corporations to engage in harvesting contracts.

Despite the strength of Alaska's wood products market, a more than ample supply of labor still exceeds the demand for skilled workers. This was particularly true around Southeast Alaska which accounted for nearly four-fifths of total wood products manufacturing employment during March. Logging employment in Southeast more than doubled from last year. The Ketchikan job service office unofficially reported that last year's employees returned at a rate nearly twice as high as usual. The tighter job market has reduced the turnover rate because people were more likely to stay with the same camp. Also contributing to the abundant supply of labor was a higher than usual rate of inmigration caused by a lack of logging activity in the remainder of the Pacific Northwest.

ALASKA UNEMPLOYMENT RATE



NOTE: Beginning with this issue of the Trends, graphs of the total civilian unemployment rate for Anchorage, Fairbanks and statewide will be published along with the nonagricultural employment index. The seasonally adjusted employment index is useful for analyzing real growth in the economy over time. The unemployment rates, which are not seasonally adjusted, vividly show the seasonal swings in Alaska's economy.

Year ago comparisons of employment in food processing indicate March was low (300 workers) relative to last year. However, employment over the quarter is up over last year. During March 1979, seafood processing employment underwent an unprecedented increase as a result of a price dispute in Kodiak which delayed the opening of the tanner crab season by six weeks. As a result, the more normal seasonal increases this March resulted in an employment level below the previous year when in fact, the quarterly average employment for the first quarter of 1980 was greater than 1979 by well over 400 workers.

Alaska's total shellfish catch for 1980 has been as strong or stronger than the previous year (depending on the species and the region). The only exception to this was the shrimp harvest which continued a 3 year decline that resulted in the lowest harvest since 1969. Unfortunately, there has been an erosion in the market price of Alaskan seafood. The drop in price has been attributed to heavy reliance upon primarily one market; Japan. Japan's heavy demand up to 1978 resulted in an increased price for seafood which attracted new fishermen to this lucrative venture. Anticipating the market would remain as strong as it was during 1978, people began outfitting boats which were finally ready to launch this year. In the Bering Sea for example, there were approximately 260 vessels fishing for crab compared to nearly 160 vessels last year. Japanese demand has diminished as a result of stocks accumulated during the past two years. The end result has been more people, fishing a larger shellfish stock, for a longer period of time and for a lower price. For processing employment to continue above year-ago levels, demand for Alaskan seafood will have to continue to support a price level that will encourage people to fish for more seafood than last year.

Employment in construction this March increased over year-ago levels for the first time since it began its post pipeline descent in 1976. Following a trend similar to last year, employment opportunities generated by capital projects around the state have been substantial enough to offset employment declines in general building construction. Employment in heavy construction was 36 percent above year-ago figures while general building employment was 13.0 percent below last March.

Marginal seasonal increases occurred in all sectors of transportation employment amounting to an overall increase of more than 600 workers. The only exception to this was employment in the trucking and warehousing sector which has been gradually declining as a result of the combined effect of increasing fuel costs and a reluctance by customers to transport and store merchandise at today's high interest rate.

An annual increase of 2,100 workers in the service industry accounted for 40 percent of the increase in total employment. Most notable was an increase in business services which includes oil and gas industry related services like surveying, engineering and camp operations. Exploratory oil and gas activity resulting from the Beaufort Sea lease sale has helped spur this increase. The second largest increase occurred in medical services.

ANCHORAGE LABOR FORCE IN MARCH

By Cal Dauel

Once again the unemployment rate is higher than last year. The rate is now 8.2 compared to 8.1 during March of last year. The coming summer, with stories of oil bonanza, the gas pipeline and a huge fish harvest will make Alaska attractive. Meanwhile the recession already beginning in the lower 48 will release people to come north. For example, lumber mills are already closing in the northwestern U.S. But in reality Anchorage will not have much to offer except an unemployment rate which is already higher than normal.

Wage and salary employment inched up in March. This is seasonal growth as the economy follows its familiar yearly cycle. However, the growth is small this year, indicating no economic growth and more hard times to come. Certainly, the economy has not turned around, but continues to remain below year-ago levels. The nonagricultural employment index is 159.7 for March. This is below February, when the index was 160.4 and even further below March 1979 when the index stood at 162.2. The index does not show a rapid decline, but rather the end to a long growth trend that ended in January 1978. A mixture of growth and decline has continued since that time. There have been more declines than increases, but the index has held at a relatively high level. The latest index number continues to be below year-ago levels, while remaining in a relatively narrow range near 160.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE

	3-80 p/	2-80 r/	3-79	Changes From: 2-80	Changes From: 3-79
Nonagricultural Wage & Salary	74,200	73,600	75,500	600	-1,300
Mining	2,250	2,200	1,900	50	350
Construction	4,550	4,400	4,450	150	100
Manufacturing	1,200	1,200	1,400	0	-200
Food & Kindred Products	250	250	300	0	- 50
Other Manufacturing	950	950	1,100	0	-150
Transp.-Comm. & Utilities	7,650	7,650	7,650	0	0
Trucking & Warehousing	950	950	1,000	0	- 50
Water Transportation	300	300	300	0	0
Air Transportation	2,900	2,900	2,700	0	200
Other Transp.-Comm. & Utilities	3,500	3,500	3,650	0	-150
Trade	16,100	16,150	16,850	- 50	-750
Wholesale Trade	3,850	3,850	3,950	0	-100
Retail Trade	12,250	12,300	12,900	- 50	-650
General Merchandise & Apparel	1,550	1,600	1,550	- 50	0
Food Stores	1,700	1,700	1,350	0	350
Eating & Drinking Places	4,300	4,350	5,150	- 50	-850
Other Retail Trade	4,700	4,650	4,850	50	-150
Finance-Insurance & Real Estate	4,900	4,800	5,250	100	-350
Services & Miscellaneous	15,700	15,400	15,750	300	- 50
Government 2/	21,850	21,800	22,250	50	-400
Federal	9,300	9,350	9,700	- 50	-400
State	4,850	4,850	4,850	0	0
Local	7,700	7,600	7,700	100	0

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

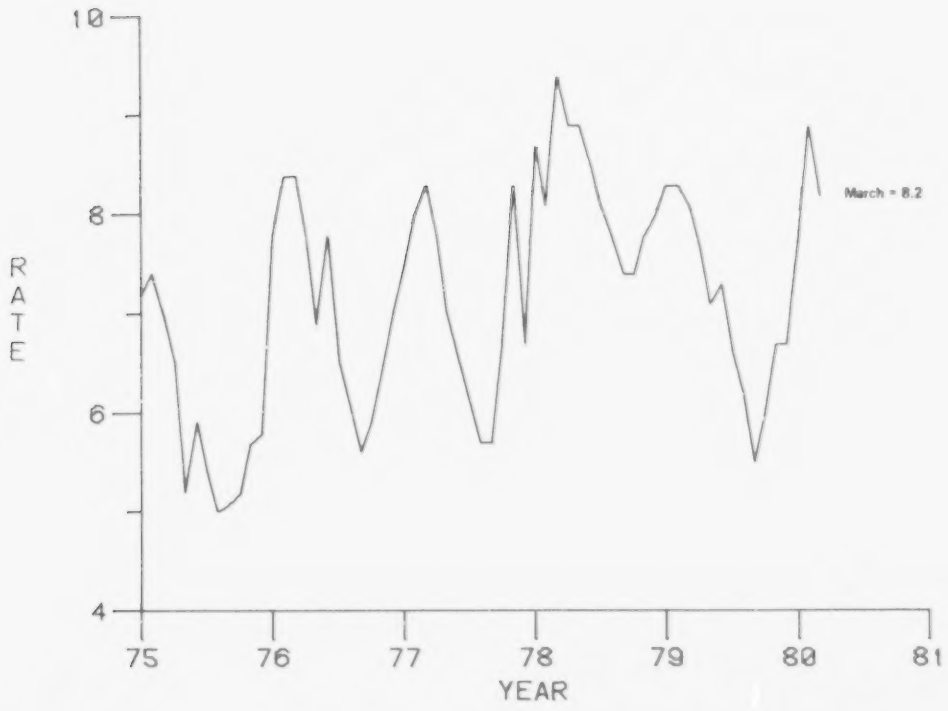
p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

As noted earlier, wage and salary employment went up only slightly this month. Most industries remained near the same level of employment they were in February. Services and construction are the only exception, and their growth is barely significant. The change in services is a return to a basic level held throughout most of last year. The change in construction may be slightly more significant. The construction industry is seasonal, and should be showing more growth than it is. One sector in particular, is holding down monthly growth. Residential construction posted a decline in employment offsetting some of the gain recorded by heavy construction and the specialty trades. Employment in the trades picked up as some major structures neared or arrived at completion. The largest, of course, is the new Northway Mall, the largest shopping center in the state. The specialty trades are rushing to complete the structure 3 months ahead of schedule. The impact on construction employment will soon be over, and will shift to retail trade. Some of the employment at the new mall will not be actual increases, because both Safeway and Pay'n Save will be shifting operations from the present location in Mountain View. However, because of the increased size of the store, there will still be employment growth. For instance Safeway expects to increase the size of its staff by a third.

The over-the-year changes in employment by industry are larger, and certainly more indicative of the economic trend. These changes are generally negative, with only mining and construction in the black. Mining does show more employment now than it had last year at this time, but the growth is over, and changes now are seasonal. Construction is interesting

ANCHORAGE UNEMPLOYMENT RATE



because of the patterns within the industry. Compared to last year, the specialty trades are about even, heavy construction is up and general construction is down. The drop in employment in general construction, particularly the residential sector follows similar drops in other indicators. Employment in the sector is down by 50 percent. Building permits issued during the first 3 months are down by 82 percent, and this is compared to 1979, the least active year of the decade. The decline is centered in the multi-units. The vacancy rate in rentals is high, condominiums are not selling and financing is not available. Consequently no large multi-units are being built. Permits were issued for only 18 single family residences during the first three months. These are mainly cases where the builder has the home presold or is certain he can sell it and can provide his own interim financing. Only mobile homes are near last years depressed level, and they are in a squeeze too from lack of lot space.

ANCHORAGE MAT-SU LABOR FORCE IN MARCH

By Cal Dauel

The Anchorage Mat-Su Region had an unemployment rate of 9.3 in March. As usual the regions rate is elevated by the large number of unemployed workers living in the valley. Mat-Su has only 4 percent of the regions wage and salary employment, but it has 20 percent of the regions unemployment. This volume of unemployed workers, coupled with the discouraged workers who are not even looking for work is a sizeable loss of income, particularly when compared to the pipeline years. Retailers in general notice the loss in buying power. Sales tax receipts for the city of Palmer show a significant drop, and this during an inflationary time when it takes more bucks to produce the same buying power. The decline is concentrated in discretionary expenditures. Food sales are holding their own, after all as one retailer put it, "people have to eat." One area of discretionary expenditure where people are pulling back is electricity. According to figures compiled by the Matanuska Electric Association (MEA), people are using less electricity. During March of 1978 the average residential customer consumed 1780 kilowatt hours while in March of 1980 the usage averaged 1395. Other factors also contribute to the decline besides tighter budgets. People are more energy conscious, and there is some reaction to higher rates.

But, a decline in population is definitely not a factor. As a matter of fact MEA records a slight gain in the number of consumers of power. The Matanuska–Susitna Borough School District still shows an increase in students although the increase is disappearing fast. At the start of the school year there were 246 more students. By April the over-the-year growth is down to 160 students, or less than 4 percent. This is a big comedown from the annual growth rates of 12 and 9 percent experienced in the recent past.

A state program to put money in citizens hands may stimulate some local spending, but restrictions on consumer credit will have the opposite effect. Employment will have to go up before increased spending will be noticeable.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE-MATSU

				Changes From:	
	3/80 p/	2/80 r/	3/79	2/80	3/79
Nonagricultural Wage & Salary.....	77,150	76,600	78,350	550	-1,200
Mining.....	2,250	2,200	1,900	50	350
Construction.....	4,700	4,550	4,550	150	150
Manufacturing.....	1,300	1,250	1,450	50	-150
Transp.-Comm. & Utilities.....	8,150	8,100	7,950	50	200
Trade.....	16,800	16,800	17,500	0	-700
Finance-Insurance & Real Estate....	5,000	4,950	5,400	50	-400
Services & Miscellaneous.....	15,800	15,650	16,150	150	-350
Government 2/.....	23,150	23,100	23,450	50	-300

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merril Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

FAIRBANKS LABOR FORCE IN MARCH

By Neal Fried

March is characteristically that time of the year when employment declines have ended, yet the seasonal upswing has not yet begun with any zest. This March is no different, with employment increasing by slightly less than one percent over February. Four out of the six larger industrial categories did not move in any direction this month. Only services and trade moved in a positive direction, by 2 and 3 percent respectively. Most of this increase comes from anticipation of heightened activity which will take place in the summer months. One of these activities is tourism, which is expected to grow again this year over and above the seasonal increases.

A more significant fact, is that employment levels for the first three months of 1980 have registered above the levels in the same months in 1979. The increase is small (somewhat less than one percent) but this is the first year since 1975 where the employment levels have showed an increase over the previous year. Wage and salary employment levels are still far below 1978 levels, but they do signify that a plateau was reached in 1979 and some employment growth is likely to occur in 1980. The nonag. index that measures real growth and not seasonal growth also indicates this for the first three months of 1980. However the current rate of

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

	3/80 p/	2/80 r/	3/79	Changes From: 2/80	Changes From: 3/79
Nonagricultural Wage & Salary	20,250	20,100	20,050	150	200
Mining	50	50	50	0	0
Construction	850	850	950	0	-100
Manufacturing	450	450	450	0	0
Transp.-Comm. & Utilities	2,550	2,550	2,450	0	100
Trucking & Warehousing	350	350	350	0	0
Air Transportation	750	750	700	0	50
Other Transp.-Comm. & Utilities	1,450	1,450	1,400	0	50
Trade	3,600	3,500	3,750	100	-150
Wholesale Trade	650	600	700	50	- 50
Retail Trade	2,950	2,900	3,050	50	-100
General Merchandise & Apparel	400	400	400	0	0
Food Stores	600	550	500	50	100
Other Retail Trade	1,950	1,950	2,150	0	-200
Finance-Insurance & Real Estate	800	800	950	0	-150
Services & Miscellaneous	4,450	4,350	3,900	100	550
Government 2/	7,500	7,550	7,550	- 50	- 50
Federal	2,100	2,100	2,250	0	-150
State	3,150	3,200	3,050	- 50	100
Local	2,250	2,250	2,250	0	0

1/ Data contained in this report covers the Fairbanks Census Division.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark data March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

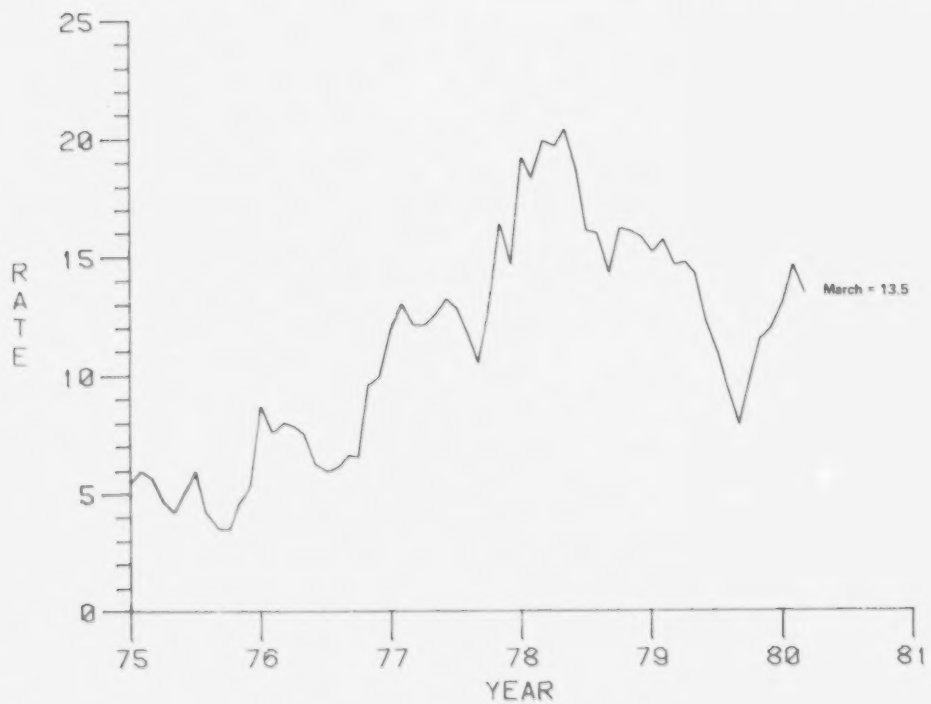
employment growth will be below 4.5 percent which was Fairbanks' average annual growth rate during the 1970's. It is likely to be closer to half of that. Not until the summer months, when most of the growth occurs, will it be known how much real employment growth there will be in 1980.

In February, the Fairbanks' Consumer Price Index ended its first year of existence and celebrated this event with an index of 110.2, which means the consumer in Fairbanks was hit with an inflation rate of 10.2 percent in 1979. This is three points below the U.S. average and almost identical to Anchorage's rate of 10.1 percent. Fairbanks' rate is below the U.S. rate largely because of less rapid increases in food costs, an actual drop in apparel prices, and a sluggish economy, which has meant little demand-pull instigated inflation. Housing, medical care and transportation lead the Fairbanks index, much like they did the nation's index. In the future, the Fairbanks index is not likely to register further declines below the U.S. index simply because most of the goods purchased here originate in the lower 48, and therefore, most of the index is "inherited" from outside the state. The index, or rate of inflation is difficult to predict, but no eminent relief is expected. The recession, which appears to be coming on in the lower 48 may have some downward effect on the index later on in the year.

Errata: Totals of "Nonagricultural Wage & Salary" and "Transp. - Comm. & Utilities" were in error in our last issue. January 1980 employment should be:

Nonagricultural Wage & Salary	20,000
Transp. - Comm. & Utilities	2,600

FAIRBANKS UNEMPLOYMENT RATE



INTERIOR ALASKA'S LABOR FORCE IN MARCH

By Neal Fried

With 14.5 percent unemployment, Interior Alaska continues to hold the dubious distinction of having the highest unemployment rate in the state. Of the 4 census divisions that make up the Interior, the Yukon–Koyukuk and the Upper Yukon have been experiencing the highest unemployment rates of the region (13.0 and 16.5 percent in 1979 respectively). These areas are largely made up of rural communities only accessible by air, and during the summer months by barge. Employment opportunities have been and continue to be in short supply for much of the population in these communities, as it is for most of rural Alaska.

Southeast Fairbanks is the other census division within the Interior that is largely rural, although bisected by the Richardson and Alaskan Highways. The unemployment rate for Southeast Fairbanks, though significantly above the state's average, had the lowest rate in the region during 1979.

This area's economy and employment relies heavily upon tourist and highway freight traffic, government, the military and a growing agricultural sector. Delta Junction is the largest community in the area and its' basic industries are the combination of the four. The military is the single largest employer and largest contributor to the present payroll in Delta. There are 800 uniformed military and 200 civilians stationed at Fort Greely – a military training base. The civilian employment and it's yearly payroll of 5 million dollars accounts for approximately one third of Delta's work force and payroll. If the uniformed military were included, the payroll figure would be closer to fifty percent. Being situated at the junction of the Alaska and Richardson Highways, tourist and freight traffic also plays an important role in Delta's economy, as the town provides accommodations and various services for these travelers.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
INTERIOR

	p/ 3/80	r/ 2/80	3/79	Changes From: 2/80	3/79
Nonagricultural Wage & Salary.....	23,900	23,700	23,300	200	600
Mining.....	100	100	100	0	0
Construction.....	950	950	1,000	0	- 50
Manufacturing.....	550	550	500	0	50
Transp.-Comm. & Utilities.....	3,550	3,550	3,350	0	200
Trade.....	3,800	3,700	3,950	100	-150
Finance-Insurance & Real Estate....	900	900	950	0	- 50
Services & Miscellaneous.....	4,650	4,600	4,150	50	500
Government 2/.....	9,400	9,350	9,300	50	100

1/ Data contained in this report covers the Upper Yukon census division, the Yukon–Koyukuk census division, the Southeast Fairbanks census division and the Fairbanks census division.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

During the past two years there has been a decline in business in this area due to the rising gas prices and Alaska's sluggish economy. This may become a longer ranged trend as gasoline prices continue to soar. As this is happening, another industry that is growing is the state supported Delta agricultural project. Last year, approximately 9--10 million dollars were spent on this project, of which 2 million was state money and the remainder loans. At one time last year, almost 100 people were involved in the project building roads, surveying and clearing land, building a grain elevator and administering personnel. Building of additional roads, clearing of land, and the completion of another elevator are some of the projects slated for this season. The amount of planted acreage this year is projected to reach 14,000 acres – three times more than was planted last year.

The future of Delta is considered bright by many of its residents. Agriculture is considered an industry with potential for the future, but possibly more immediate is the construction of the gasline. The experience of the oil pipeline is still fresh in the minds of the citizens of Delta. During construction of the oil pipeline Delta's work force more than tripled and the unemployment rate reached the all time state low of 3.8 percent in 1975. With the completion of the oil pipeline, the unemployment rate soared as it did in many areas of the state, and remains high. (Though below the other 3 census divisions in the Interior in 1979). Some permanent employment did remain after the completion of the pipeline, such as pump station 9, which is just south of Delta. Also the infrastructure, as a whole, expanded as new retail outlets opened. Delta has received one of the first tastes of the gasline project when drilling crews collecting soil samples along the proposed gasline route were stationed in Delta in March. Once the construction of the gasline commences, the work force in Delta and Southeast Fairbanks will again double or triple. Employment will again drop off when the gasline is completed but some additional permanent employment is likely to be left. In large part, however, the construction of the gasline will create only a temporary surge in Delta's economy. The government, military, agriculture, and service establishments for travelers will remain the pillars of the economies of Delta and Southeast Fairbanks.

SOUTHEAST ALASKA'S LABOR FORCE IN MARCH

By Jan McIlroy

With the State Legislature in session, all of Southeastern is hoping for the funding of numerous projects that will increase employment for the region. There are hydroelectric projects, road upgrading, dock improvements, civic centers, water and sewer projects, to name a few. Some supplemental budget funds are to be released in 2 or 3 weeks so summer work can be started.

Wrangell's Young Adult Conservation Corp. has increased to nearly 125 enrollees. They are paid $3.88 an hour for a 40-hour week and those that live at the Center pay $3.00 a day board and room. About ¼ of the Corps. is from outside Alaska, and there are 450 waiting in line to come to Alaska. They pay their own transportation expenses. In addition to the enrollees, there are 22 staff members. Of the fiscal 1979 budget of $2.1 million, $1.3 million was paid in salaries, $800,000 to enrollees and $500,000 to staff. About $100,000 was spent in Wrangell for utilities, fuel and other supplies. This program adds a positive economic impact to Wrangell.

The demolition work for the Alaska Lumber and Pulp mill at 6-mile out of Wrangell that was to begin this month, has been delayed pending the start of union negotiations. A union contract is needed to cover the workers for the one-year project. Meanwhile, the mills have been working 10-hour days to produce more wood chips for the mill in Sitka and to build

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

				Changes From:	
	3/80 p/	2/80 r/	3/79	2/80	3/79
Nonagricultural Wage & Salary.....	24,800	24,300	22,700	500	2,100
Construction.....	650	600	550	50	100
Manufacturing.....	3,550	3,250	2,550	300	1,000
Transp.-Comm. & Utilities.....	2,300	2,250	1,950	50	350
Trade.....	3,450	3,350	3,000	100	450
Wholesale Trade.....	300	300	250	0	50
Retail Trade.....	3,150	3,050	2,750	100	400
Finance-Insurance & Real Estate....	1,100	1,150	1,350	- 50	250
Mining, Services & Misc.	3,350	3,250	3,050	100	300
Government 2/.....	10,400	10,450	10,250	- 50	150
Federal.....	2,250	2,300	2,050	- 50	200
State.....	4,550	4,550	4,650	0	-100
Local.....	3,600	3,600	3,550	0	50

1/ Data in this report cover the following census divisions: Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway-Yakutat, and Wrangell-Petersburg.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

up a volume of timber to meet the needs of the mill in town. The construction of the new mill will need a work force of 50 at it's peak.

Employment in the logging industry has experienced an astonishing amount of growth during March. The employment has nearly doubled. Over the past few years, Alaska has been developing foreign markets for their logs and pulp. This has been particularly true as the native corporations entered into the timber industry. Timber has been made available for harvest that was previously "locked-up" by the federal government. With a slow-down in logging in the other western states, the Ketchikan Employment Office has noticed that, instead of the usual high turn-over rate in logging employment, 90 percent of last years crews are returning.

In Sitka, more than 60 workers are winding up the excavation phase of the $40 million Green Lake power project. The 30-man Larrabee Logging Company crew is cutting, hauling and yarding 30 million board feet (MBF) of timber from the power basin. They have been hauling the timber to tidewater at 300,000 board feet a day. The project location is within sight of some dormant precious metal mines and is in the heart of the oldest gold-mining properties in Alaska. Gold, silver and copper could probably be assayed in every load of rock from the tunnel, but it is not in large enough concentration to be mined economically.

Ketchikan has a busy construction season ahead, work on the city's sewage system is underway with drilling and shooting for trench excavation. New England Fish Company is building a new ice-house with a 200 ton capacity. The exterior is finished and work on the processing area and a blast freezer should last until mid-June. Work in the Foss Alaska Line freight terminal will continue through May but barges will start using the enlarged landing area in mid-March. The old Ellis Airlines maintenance terminal is being reconstructed for Southeast Stevedoring and should be ready for occupancy by mid-summer. The Tatsuda's, a local family, plan to move businesses into their new building in mid-April. All of the occupants have not as yet been determined and the final decisions on occupancy may not be made until the beginning of April.

Seley Construction Company was the successful bidder of the Sealaska 30 MBF timber harvest in the Craig–Klawock area. The timber harvest is Sealaska Corporation's first forestry development since their inception in 1972. Seley Construction Company has just completed an export timber harvest by the Annette Island Metlakatla Indian Community for Alaska Lumber and Pulp Company.

Juneau is looking forward to a year of conventions. There are 50 scheduled to be held this Centennial year. The groups range from 15 to 350 persons. Conventions are discouraged for summer months because of the number of tourists in town, but the early spring and fall influx helps all businesses because of the "new money" in town. The fact that it is the Centennial year is an added attraction.

Seven million dollars worth of gold-mining equipment went to Dawson, Yukon Territory through Skagway this month via the White Pass and Yukon Railway. The huge equipment was loaded on to the beach, not unlike 80 years ago. The new barge facility was not stout enough to handle the heavy load.

HOURS AND EARNINGS FOR MARCH 1980

By Debbie Berggren

The logging sector experienced a seasonal increase in employment of 400 workers. The hiring of these new employees at a lower pay scale greatly influenced the 5.1 percent decrease in average hourly earnings for the lumber and paper products sector during the month of March.

The average weekly earnings for the food and kindred products sector is down 28.1 percent over March 1979. Less overtime in the seafood processing sector greatly affected this decrease. During the 1979 season there was a big catch during March causing a lot of overtime. This year, however, the catch has been spread out over several months causing fewer hours to be worked.

STATEWIDE
May, 1980

LASMOD FORECASTS TO 1981
INDUSTRY EMPLOYMENT, POPULATION, AND WAGES AND SALARIES

	1979					1980					1981				
	Qtr 1*	Qtr 2*	Qtr 3*	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave
Population (July 1) 1/			413,516					417,806					426,831		
Total Nonag. Wages & Salaries ($1,000's)	776,437	866,256	934,945	901,320	869,740	852,970	949,831	1,028,930	1,006,130	959,241	951,972	1,061,480	1,147,570	1,129,613	1,072,660
Average Quarterly Earnings	4,999	5,131	5,320	5,436	5,223	5,331	5,531	5,743	5,851	5,620	5,754	5,961	6,181	6,296	6,055
Total Nonag. Wage & Salary Employment	155,298	168,817	175,732	165,799	166,411	159,987	171,737	179,006	171,992	170,681	165,457	178,071	185,658	179,421	177,152
Mining	5,642	5,903	5,919	5,825	5,772	6,144	6,501	6,866	6,574	6,521	6,691	7,229	7,743	7,456	7,280
Construction	7,461	9,846	12,806	10,453	10,142	7,435	10,331	14,243	11,254	10,916	8,947	12,226	15,787	12,786	12,437
Manufacturing	7,800	13,139	18,821	11,060	12,705	8,779	12,902	15,818	11,680	12,545	10,411	15,531	16,612	12,324	13,170
Transp./Comm./Utilities	15,609	16,726	17,831	16,280	16,612	16,023	17,246	18,367	16,859	17,124	16,190	17,606	18,721	17,280	17,450
Transportation	10,916	11,581	12,098	10,533	10,933	10,737	11,774	12,711	10,844	11,129	10,333	11,498	12,430	11,149	11,353
Communications	4,214	4,224	4,289	4,310	4,259	4,344	4,543	4,619	4,537	4,513	4,397	4,571	4,678	4,556	4,551
Public Utilities	1,379	1,421	1,444	1,435	1,420	1,412	1,479	1,537	1,478	1,482	1,460	1,537	1,613	1,575	1,546
Trade	27,768	29,771	30,636	29,938	29,630	28,960	30,166	31,173	30,574	30,218	29,615	31,105	32,158	31,600	31,120
Wholesale	5,289	5,679	5,735	5,525	5,556	5,316	5,660	5,806	5,589	5,595	5,397	5,738	5,929	5,858	5,681
Retail	22,479	24,098	24,901	24,418	24,074	23,644	24,506	25,367	24,985	24,623	24,218	25,367	26,229	25,742	25,439
Finance/Insurance/Real Estate	8,093	8,208	8,021	8,002	8,081	7,923	8,109	8,324	8,057	8,103	7,990	8,258	8,458	8,273	8,245
Services	27,538	28,657	29,807	28,823	28,586	27,744	29,357	30,791	29,349	29,235	28,603	29,705	31,680	30,295	30,022
Government (Civilian)	54,883	55,814	56,946	55,561	54,294	55,275	56,199	52,440	57,330	55,311	56,743	57,349	53,742	58,832	56,742
Federal	17,316	17,816	18,729	17,938	18,000	17,651	18,169	18,644	18,026	18,123	17,740	18,257	18,732	18,114	18,211
State	14,651	15,041	15,059	15,251	15,001	14,938	15,618	15,471	15,746	15,394	15,433	15,913	15,968	16,241	15,889
Local	22,916	22,956	23,158	22,372	21,294	22,686	22,412	18,323	23,558	21,795	23,570	23,179	19,042	24,476	22,642
Miscellaneous	482	747	975	560	691	504	726	984	615	707	467	762	947	578	689

1/ Employment based population estimates.
* Actual employment data.

ANCHORAGE
May, 1980

LASMOD FORECASTS TO 1981
INDUSTRY EMPLOYMENT, POPULATION, AND WAGES AND SALARIES

	1979					1980					1981				
	Qtr 1*	Qtr 2*	Qtr 3*	Qtr 4	Ave.	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave
Population (July 1) 1/			194,532					198,336					204,890		
Total Nonag. Wages & Salaries ($1,000's)	377,313	401,437	422,376	415,965	404,198	417,806	450,788	472,432	474,585	453,903	472,375	515,624	534,620	537,592	513,803
Average Quarterly Earnings	5,063	5,167	5,330	5,443	5,252	5,358	5,474	5,796	5,919	5,740	6,044	6,173	6,303	6,437	6,242
Total Nonag. Wage & Salary Employment	74,519	77,687	79,189	76,422	76,954	73,172	78,420	81,510	80,180	79,071	78,156	82,719	84,820	83,316	82,301
Mining	1,847	1,867	2,172	1,931	1,958	1,990	2,086	2,206	2,110	2,098	2,149	2,442	2,696	2,401	2,372
Construction	4,671	5,662	7,117	5,583	5,708	4,389	5,938	7,391	6,203	6,036	5,175	6,503	7,932	6,961	6,613
Manufacturing	1,393	1,798	2,124	1,687	1,678	1,422	1,811	2,277	1,835	1,836	1,837	1,876	2,363	1,934	1,953
Transp./Comm./Utilities	7,587	8,023	8,432	7,839	7,916	7,449	8,329	8,585	7,978	8,010	7,638	8,361	8,977	8,221	8,299
Transportation	5,432	5,871	6,168	5,595	5,766	5,378	5,845	6,295	5,759	5,823	5,488	6,104	6,601	5,921	6,029
Communications	1,584	1,563	1,603	1,476	1,557	1,519	1,563	1,631	1,581	1,574	1,541	1,607	1,691	1,640	1,620
Public Utilities	571	592	661	568	593	551	601	660	635	612	609	648	685	660	651
Trade	16,534	17,218	17,310	17,161	17,056	17,229	17,766	18,189	18,299	17,871	18,215	18,648	18,864	19,039	18,697
Wholesale	3,946	4,081	4,081	3,921	4,002	3,838	4,033	4,116	4,032	4,005	3,921	4,144	4,233	4,135	4,114
Retail	12,590	13,137	13,229	13,240	13,054	13,391	13,733	14,073	14,267	13,866	14,294	14,504	14,609	14,904	14,583
Finance/Insurance/Real Estate	4,901	4,910	4,861	4,829	4,875	4,668	4,918	5,071	4,938	4,899	4,836	5,052	5,313	5,226	5,107
Services	15,288	15,329	15,664	15,312	15,348	15,186	15,565	16,196	16,069	15,754	15,691	16,322	16,826	16,700	16,385
Government (Civilian)	22,081	22,513	20,782	22,102	21,869	22,199	22,777	20,885	22,426	22,072	22,511	23,043	21,175	22,768	22,419
Federal	9,671	9,833	9,993	9,655	9,738	9,550	9,828	10,018	9,731	9,782	9,625	9,934	10,092	9,834	9,856
State	4,725	4,700	4,644	4,825	4,749	4,807	4,880	4,956	5,007	4,913	4,889	4,962	1,038	5,089	4,995
Local	7,686	8,177	6,145	7,522	7,383	7,842	8,069	5,911	7,689	7,378	7,997	8,177	6,245	7,855	7,569
Miscellaneous	421	657	744	338	540	440	508	710	322	495	434	472	674	286	459

1/ Employment based population estimates.
* Actual employment data.

NOTE: These forecasts are the product of econometric research. As such they are not directly comparable to employment estimates found elsewhere in this publication.

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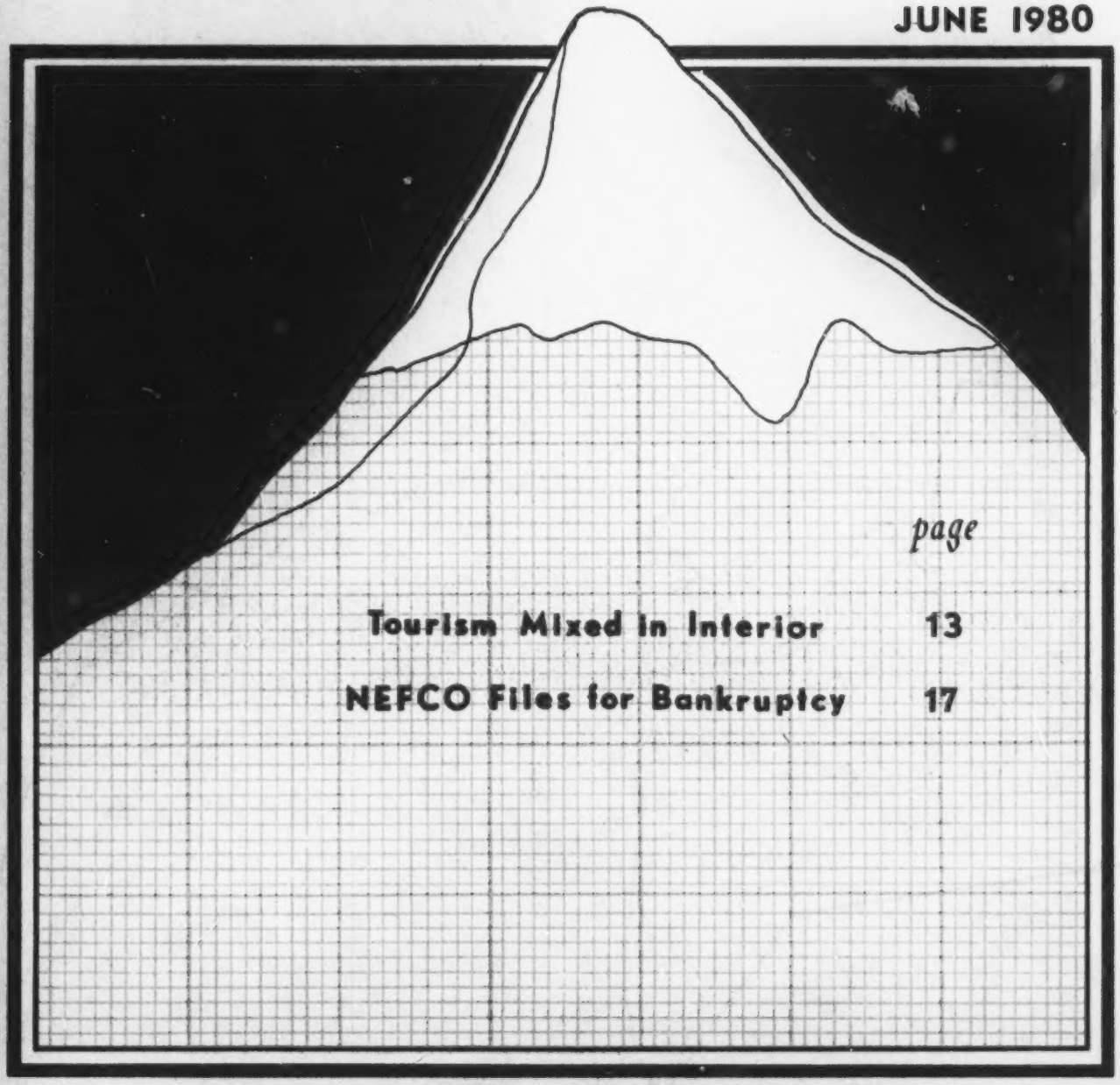
ALASKA ECONOMIC TRENDS

JUNE 1980



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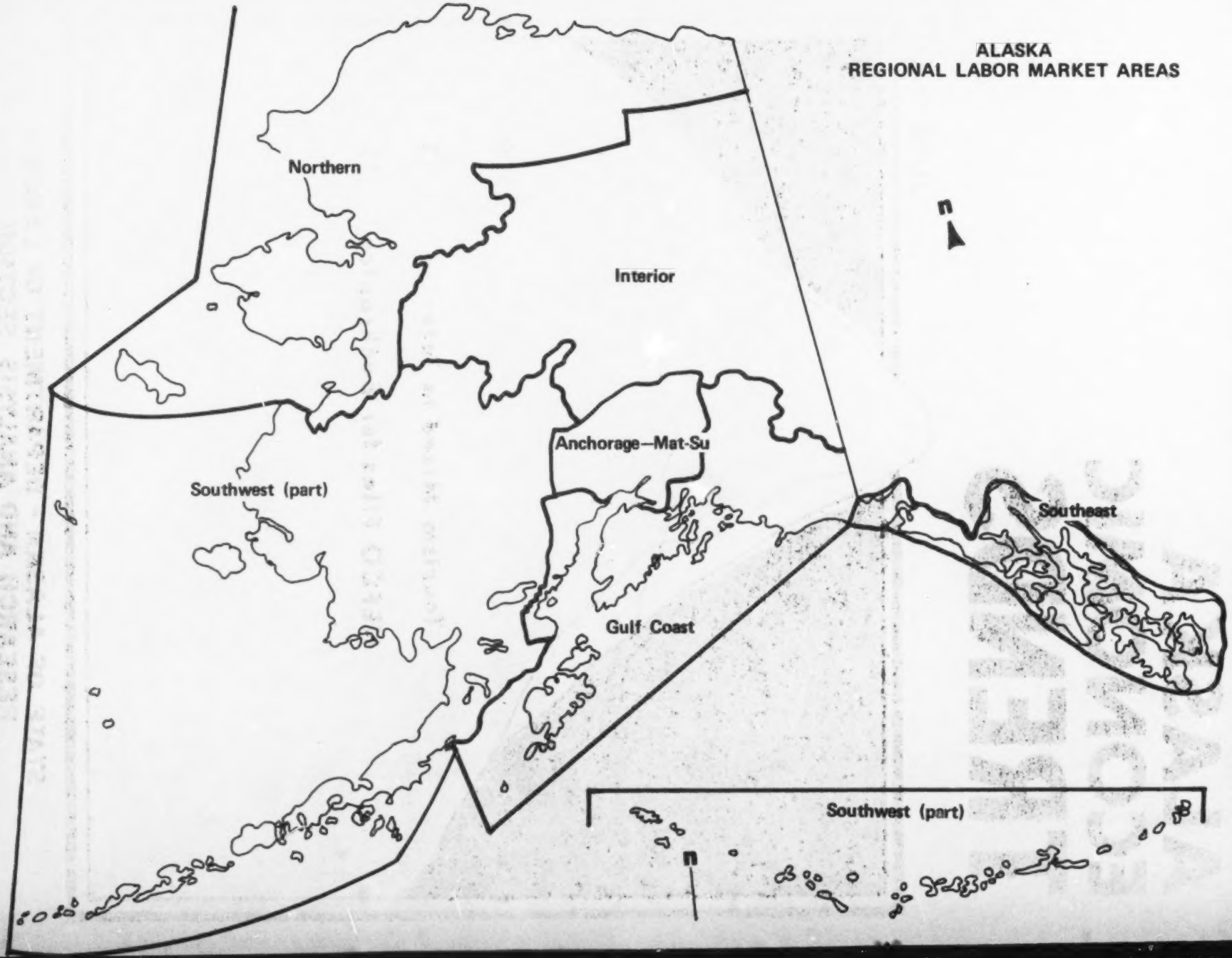
STATE OF ALASKA · DEPARTMENT OF LABOR
RESEARCH AND ANALYSIS SECTION

JAY S. HAMMOND, GOVERNOR


ALASKA
REGIONAL LABOR MARKET AREAS
Northern
Interior
Anchorage—Mat-Su
Southwest (part)
Southeast
Gulf Coast
Southwest (part)

ALASKA ECONOMIC TRENDS

Jay S. Hammond, Governor
State of Alaska

Edmund N. Orbeck, Commissioner
Commissioner of Labor

John E. Post, Chief
Research and Analysis

June 1980

Chris Miller, Editor

ALASKA'S LABOR FORCE IN APRIL

By Sally Saddler

A restrained rate of growth was evident in Alaska's wage and salary employment during April. The wage and salary index (which measures seasonally adjusted changes in employment) declined more than 2 full percentage points marking this year's rate of seasonal expansion among the lowest since statehood. Cause for alarm however, is premature. April is a transitional month with the expansion of employment traditionally dependent upon weather conditions. Severe winds in the Anchorage-Matsu area in early April coupled with record breaking rainfall in parts of Southeast Alaska may have contributed to the less-than-expected increase.

In addition to weather conditions, national economic trends may have contributed to the reserved growth in employment during April. Telltale signs of strain in the service and trade industries reflect the tightening of credit while an analysis of employment changes over the year indicate that finance and government (specifically local government) were the only major industries with fewer jobs than last April.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

	4-80 p/	3-80 r/	4-79	Changes From: 3-80	Changes From: 4-79
Nonagricultural Wage & Salary.....	165,600	162,700	163,100	2,900	2,500
Mining.....	5,900	6,100	5,700	-200	200
Construction.....	8,600	7,900	8,500	700	100
Manufacturing.....	11,300	10,000	10,700	1,300	600
Food & Kindred Products.....	5,000	4,300	5,300	700	-300
Lumber & Paper Products.....	3,900	3,500	3,100	400	800
All Other Manufacturing.....	2,400	2,200	2,300	200	100
Transp.-Comm. & Utilities.....	16,700	16,400	15,900	300	800
Trucking & Warehousing.....	1,800	1,600	1,900	200	-100
Water Transportation.....	1,200	1,100	1,100	100	100
Air Transportation.....	5,300	5,200	4,700	100	600
Other Transp.-Comm. & Utilities..	8,400	8,500	8,200	-100	200
Trade.....	28,900	28,600	28,700	300	200
Wholesale Trade.....	5,600	5,400	5,400	200	200
Retail Trade.....	23,300	23,200	23,300	100	0
General Merchandise & Apparel..	3,900	3,800	3,900	100	0
Food Stores.....	3,500	3,600	3,600	-100	-100
Eating & Drinking Places.....	8,000	7,900	8,000	100	0
Other Retail Trade.....	7,900	7,900	7,800	0	100
Finance-Insurance & Real Estate....	8,100	8,100	8,500	0	-400
Services & Miscellaneous.....	30,500	29,900	29,200	600	1,300
Government 2/.....	55,600	55,700	55,900	-100	-300
Federal.....	18,000	18,200	17,600	-200	400
State.....	15,100	15,100	15,100	0	0
Local.....	22,500	22,400	23,200	100	-700

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

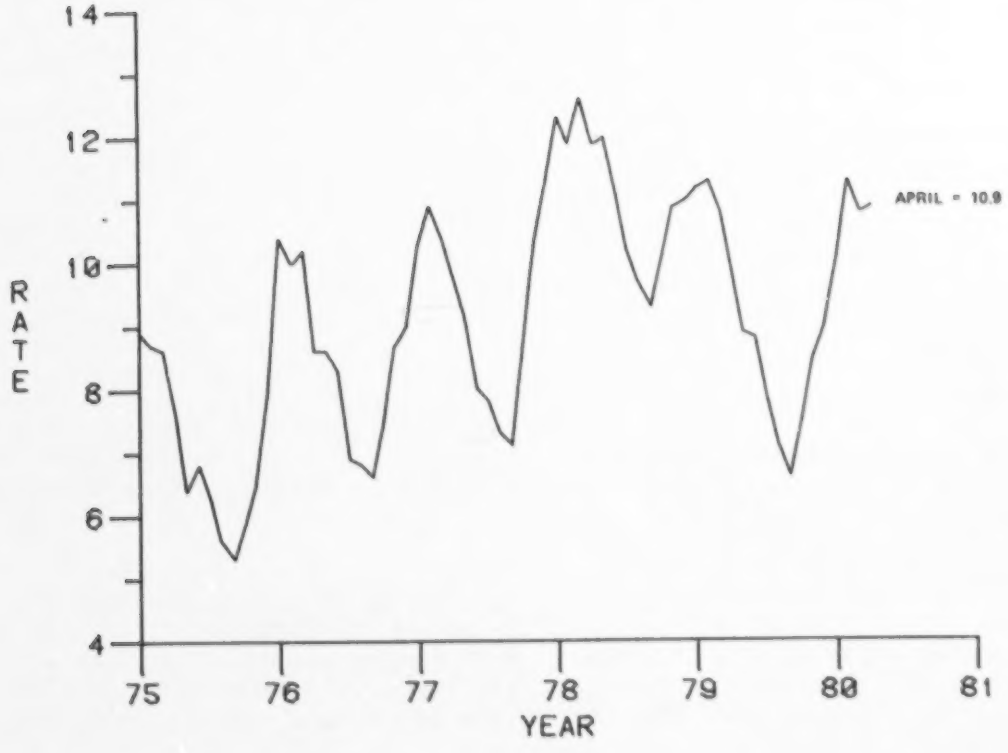
Interest rates remain high as employment in the finance industry fell below year ago levels (by nearly 400 workers) again this month. The decline occurred predominantly in banking and insurance firms.

Employment in retail trade exhibited growth (100 workers) from March to April. However, this was negligible compared to historical increases, and year ago comparisons which reveal there was no increase from last year.

Construction employment continued to follow last year's trend with declines in general building offset by the strength of employment opportunities resulting from publicly funded heavy construction projects. Even with the legislature working on a record capital improvement budget, most of the activity expected this season will be highway related projects which have already been funded.

Local government employment has declined over the year as a result of a 2 percent drop in school enrollment this year. A significant decline of 5.6 percent occurred in the Anchorage, Mat-Su region, where declining population contributed to the loss of education related jobs in local communities. Employment in state government remained stable over the year while federal government increased by roughly 400 workers which helped offset the decline in local government.

ALASKA UNEMPLOYMENT RATE



Overall, there were 300 fewer workers in all sectors of government as compared to last April. However, one out of every three workers in Alaska is till a government employee. By contrast, less than one out of every 5 people nationally are employed by government. Alaska's high ratio of public servants to all workers (excluding uninformed military personnel) is attributed primarily to the enlarged role of federal government.

In Alaska, the ratio of federal employees to all government employees is nearly double the national average. A minimum of certain basic positions are required to administer federal programs regardless of population size. Additional, or supplemental positions vary with population size, geographic distribution and other variables. Unfortunately, Alaska's small, highly diffused population is unable to take advantage of the economies of scale evident on the national level. Alaska's 18,000 federal employees engaged in wildlife protection, employment services, land management, etc., run the geographical gamut from Metlakatla, to Adak to Barrow and all points in between.

Manufacturing employment, one of the state's most seasonal industries, was an unprecented 10 percent of total wage and salary employment this April. Historically, it ranges between 5.5 to 7.5 percent of total employment. Contributing to the high proportion, is a relative lack of construction activity plus a renewed level of logging activity attributed to a well developed export market in Southeast Alaska.

Employment in seafood processing underwent a seasonal increase of roughly 700 workers as the herring fishery opened in most areas of the state and some 100 Bering Sea crabbers ended a 12 day tie up in the middle of the month. However, in Dutch Harbor, the high cost of fuel coupled with lower prices for catches deterred many potential fishermen who found they lost less money by not fishing than they would if they incurred the expenses of going out.

Calamity cries rang out when New England Fish Company (NEFCO) announced it was filing for bankruptcy. The action was adverse primarily due to the panic wave generated. The impact on April employment was minimal since 4 of 7 plants (in Seward, Ninilchik, Homer and Ketchikan) were jointly owned and operations at the Kodiak plant continued through the end of the month. Other wholly owned plants, with the possible exception of the Ketchikan cold storage plant, are expected to be in operation for the upcoming salmon season.

Employment in transportation increased over last year. The improvement is attributed to the strength of employment opportunities in air transportation which accounted for three-quarters of the industry's annual increase of 800. First, the magnitude of the geographical distribution of Alaska's population and its relatively undeveloped land transportation system is indicative of an inelastic demand for air travel. That is as the price of air travel increases, Alaskans, for lack of an alternative, are unable to substitute other modes of transportation.

The anticipated 5 percent increase in tourism this year is now reflecting a change in the pattern of travel. "Port of entry" data for the first quarter indicated a drop in the number of persons entering Alaska via the Alcan Highway while increases occurred in the number of people arriving via cruise ship and air. Limited leisure travel via the Alaskan highway may result in less tourist related activity in the Interior and connecting areas due to the high price of fuel. However, the devaluing dollar makes Alaska an attractive vacation spot on the foreign market.

Deregulation of air travel may have also contributed in part to the employment increase in air transportation. For example, Wien Airlines expanded into the Southeast and Alaska Airlines will be providing service to Nome and Kotzebue later this year.

ANCHORAGE LABOR FORCE IN APRIL

By Cal Dauel

Wage and salary employment rose by 650 this month as small gains were posted by nearly every industry. Wage and salary employment is at 75,050, the highest it has been this year, but this is simply seasonal growth and not an indicator of an expanding economy. It is also not an indicator of the coming seasonal growth. The seasonal growth so far this year has been near normal, but the coming months are when most of the expansion occurs. The Non-Ag. employment index fell once again this month to 159.1. There have not been many increases in the past year, but still the index has nearly always been in a narrow range between 159 and 161. The economy as measured by this index has generally been within this high range since the start of 1978. Anchorage continues to be stagnant economically, but this time a recession is occurring in the lower 48. During the national recession of 1974-75, Anchorage was in the midst of the pipeline boom and sailed along unaffected. This coming year may be different.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE

	4-80 p/	3-80 r/	4-79	Changes From: 3-80	Changes From: 4-79
Nonagricultural Wage & Salary.....	75,050	74,400	76,400	650	-1,350
Mining.....	2,200	2,250	1,800	- 50	400
Construction.....	4,850	4,600	5,050	250	-200
Manufacturing.....	1,250	1,200	1,550	50	-300
Food & Kindred Products.....	250	250	350	0	-100
Other Manufacturing.....	1,000	950	1,200	50	-200
Transp.-Comm. & Utilities.....	7,800	7,700	7,550	100	250
Trucking & Warehousing.....	950	950	1,050	0	-100
Water Transportation.....	350	300	350	50	0
Air Transportation.....	3,050	2,950	2,850	100	200
Other Transp.-Comm. & Utilities..	3,450	3,500	3,300	- 50	150
Trade.....	16,400	16,150	16,550	250	-150
Wholesale Trade.....	3,900	3,900	3,950	0	- 50
Retail Trade.....	12,500	12,250	12,600	250	-100
General Merchandise & Apparel..	1,550	1,550	1,550	0	0
Food Stores.....	1,700	1,700	1,500	0	200
Eating & Drinking Places.....	4,450	4,300	4,550	150	-100
Other Retail Trade.....	4,800	4,700	5,000	100	-200
Finance-Insurance & Real Estate....	4,950	4,900	5,250	50	-300
Services & Miscellaneous.....	15,800	15,700	15,800	100	0
Government 2/.....	21,800	21,900	22,850	-100	-1,050
Federal.....	9,150	9,300	9,550	-150	-400
State.....	4,950	4,900	4,850	50	100
Local.....	7,700	7,700	8,450	0	-750

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

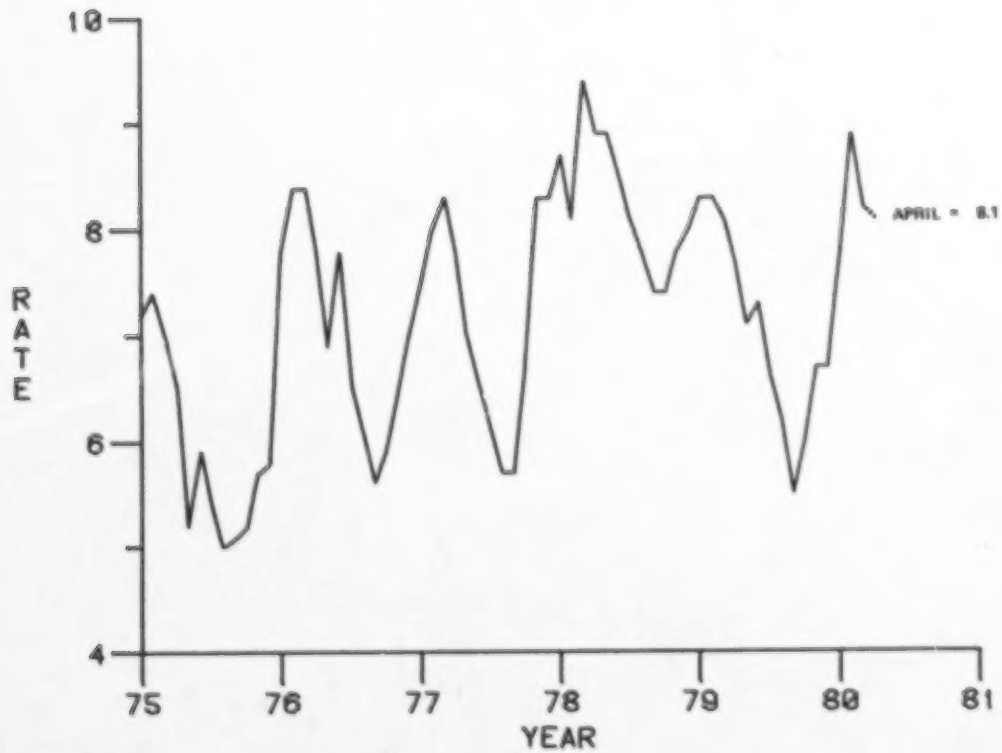
r/ Denotes revised estimates.

The other side of the employment picture is slightly more negative. The same number of people were unemployed in April as in March. The growth in the labor force has offset the growth in employment creating constant unemployment. The resulting unemployment rate in Anchorage was 8.1 percent, essentially the same as the March rate.

As noted earlier, employment by industry is generally positive as seasonal expansion slowly sets in. The expansion is very weak and two industries, mining and government even show declines.

Construction employment posted one of the largest gains, but then it is a very seasonal industry, and should be growing in April. Historically Anchorage has been a growing community and has a high percentage of construction workers among total wage and salary employment. In 1979, the construction industry comprised 7.5 percent of Anchorage's wage and salary employment. A typical percentage for the nation is slightly less than 5 percent. Therefore, for total employment to remain constant in Anchorage there has to be a considerable amount of construction taking place.

ANCHORAGE UNEMPLOYMENT RATE



Residential and commercial construction are at very low levels as a result of high interest rates and little demand. On the other hand, highway and heavy construction will maintain high levels of employment and support the industry this year. There are many heavy construction jobs underway with price tags over a million dollars. For example: the Seward Highway from Mile Post 5 south, the new north-south runway, the South Birchwood interchange, widening of International Airport Road, and the new access to Elmendorf Air Force Base. Other large jobs will start this summer such as, the Minnesota bypass extention, the Peters Creek interchange and the widening of Bragaw street. This is a large amount of construction, without considering the $100 million that is expected to come from the State Legislature for Anchorage projects, or the new satellite terminal at Anchorage International Airport.

The other major growth industry this month is trade, particularly retail trade. The new Northway Mall is being completed and more stores will become operational as time passes. The possibilities for the trade industry are mixed this year. Tourism will probably not increase because of the recession in the lower 48. On the other hand, the repeal of the State income tax and the dividends from the permanent fund will give residents more money for discretionary spending.

ANCHORAGE MAT-SU LABOR FORCE IN APRIL

By Cal Dauel

Anchorage Mat-Su has the lowest regional unemployment in the state. It also has the largest labor force. These two factors combined help to keep the statewide rate down. Anchorage Mat-Su currently has almost 50 percent of the state labor force and an unemployment rate of 9.2. The comparatively low regional rate is due entirely to Anchorage. The other component area, Mat-Su, has one of the highest unemployment rates in the state at 20.2 percent.

The number of unemployed workers in the valley is just beginning to decline, and the decline is not rapid. The mid-winter peak was in March with an estimate of 1,634 unemployed workers. In April the estimate is still high at 1,542. The local Employment Center in Wasilla is still paying out more than a 1,000 unemployment checks a week in April, down only slightly from the winters high of about 1,200. At the same time they see virtually no demand for construction workers.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE-MATSU

	4-80 p/	3-80 r/	4-79	Changes From: 3-80	Changes From: 4-79
Nonagricultural Wage & Salary.....	77,950	77,350	79,300	600	-1,350
Mining.....	2,200	2,250	1,800	- 50	400
Construction.....	5,000	4,750	5,150	250	-150
Manufacturing.....	1,350	1,300	1,550	50	-200
Transp.-Comm. & Utilities.....	8,200	8,100	7,900	100	300
Trade.....	17,150	16,800	17,300	350	-150
Finance-Insurance & Real Estate....	5,050	5,000	5,350	50	-300
Services & Miscellaneous.....	16,050	15,950	16,200	100	-150
Government 2/.....	22,950	23,200	24,050	-250	-1,100

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merril Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark data March

p/ Denotes preliminary estimates.

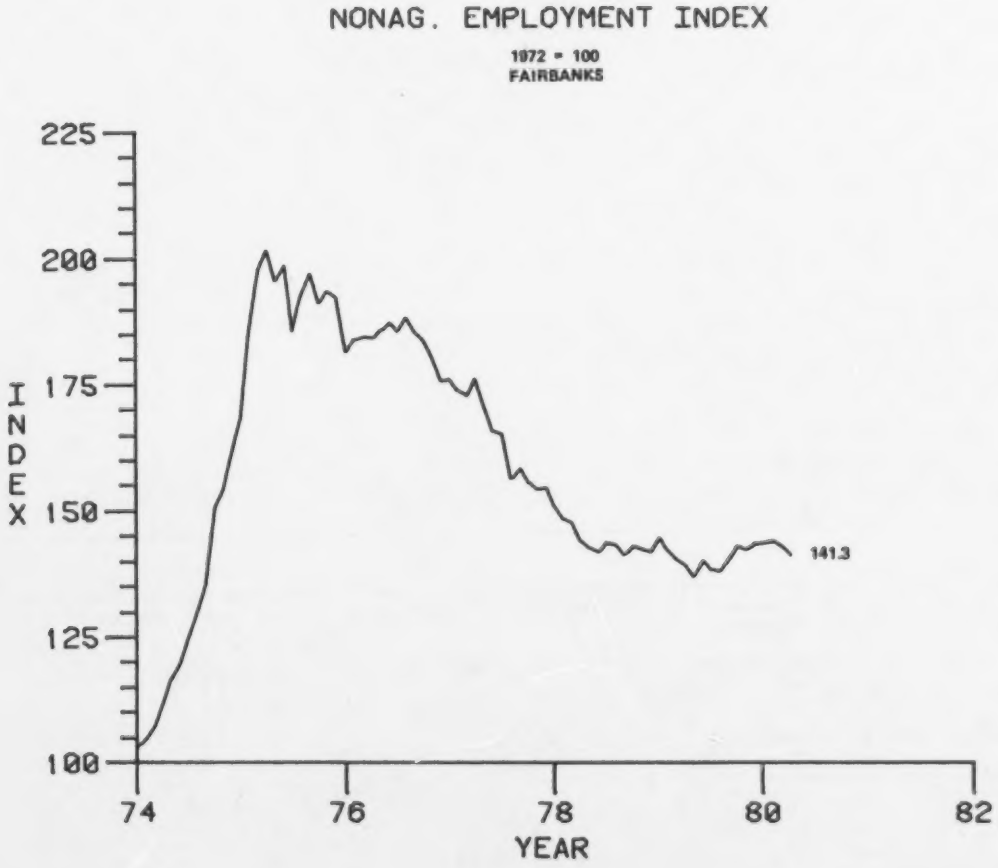
r/ Denotes revised estimates.

FAIRBANKS LABOR FORCE IN APRIL

By Neal Fried

The economic news for Fairbanks was mixed in April. Wage and salary employment grew by 300, which is the biggest jump this year, and the overall employment level is above last years employment levels for April. On the other side of the account the increase is smaller than last April's increase and the unemployment rate jumped to 15 percent, when normally by April the rate begins to decline. An explanation for this is simply that the number of people seeking work grew more rapidly than the number of new jobs.

Most of Fairbanks' major industries registered increases in April. Construction reaped the largest number of new jobs, as it will during the remainder of the summer season. Highway construction recorded the largest gains in this sector, as some highway projects got underway. Some dirt moving and land clearing work was begun on the $6.5 million Tolovana-Livengood project and drilling and blasting work was done on the Snowshoe-Tolovana road project. A number of other road projects will begin during the coming months which should keep high-



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

	p/ 4-80	r/ 3-80	4-79	Changes From: 3-80	4-79
Nonagricultural Wage & Salary	20,650	20,350	20,300	300	350
Mining	50	50	50	0	0
Construction	1,000	900	1,050	100	- 50
Manufacturing	500	450	450	50	50
Transp.-Comm. & Utilities	2,650	2,600	2,500	50	150
Trucking & Warehousing	400	400	350	0	50
Air Transportation	800	750	700	50	100
Other Transp.-Comm. & Utilities	1,450	1,450	1,450	0	0
Trade	3,700	3,600	3,900	100	-200
Wholesale Trade	650	600	700	50	- 50
Retail Trade	3,050	3,000	3,200	50	-150
General Merchandise & Apparel	450	400	400	50	50
Food Stores	550	600	500	- 50	50
Other Retail Trade	2,050	2,000	2,300	50	-250
Finance-Insurance & Real Estate	800	800	900	0	-100
Services & Miscellaneous	4,500	4,450	3,950	50	550
Government 2/	7,450	7,500	7,500	- 50	- 50
Federal	2,050	2,100	2,250	- 50	-200
State	3,150	3,150	3,000	0	150
Local	2,250	2,250	2,250	0	0

1/ Data contained in this report covers the Fairbanks Census Division.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark data March

p/ Denotes preliminary estimates.

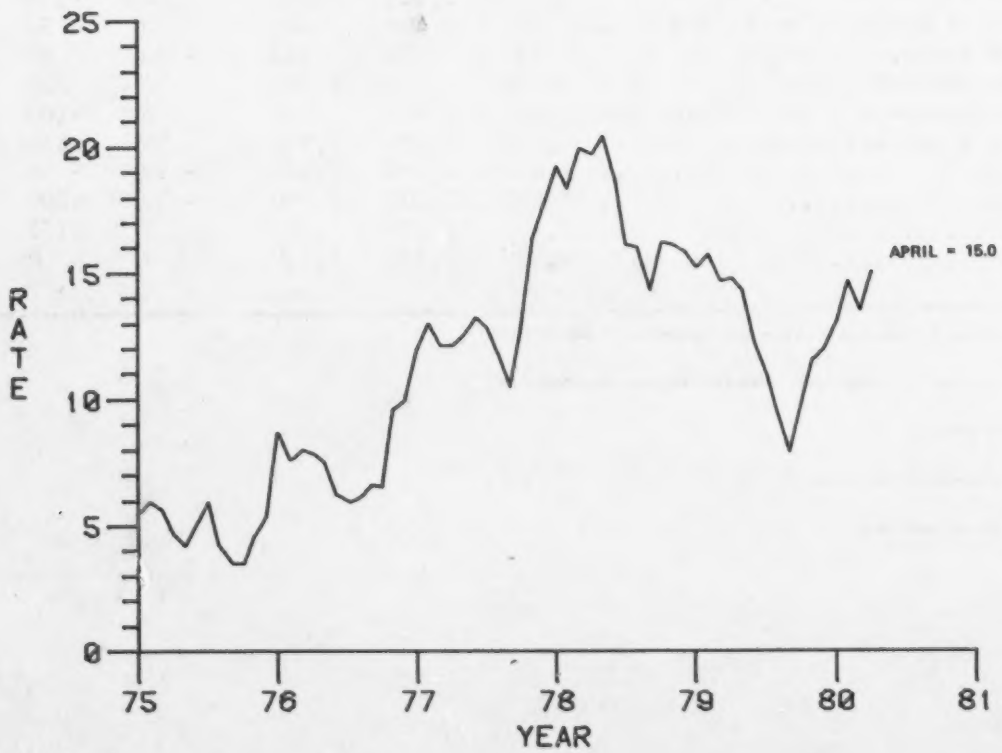
r/ Denotes revised estimates.

way construction employment above last year's levels. Work on the Public Safety Building and Youth Facility, which will be completed this season, along with a number of other projects, helped bolster the special trades and building sectors. Because little work will be done on the Chena Flood project this summer season, heavy construction (with the exception of highways) will remain far below last year's levels. The overall construction picture will likely be similar to last year's.

Transportation began to pick up again in April. Both air transportation and trucking have boosted their employment. This comes from increased activity on the North Slope and a general easing up of the local economy. Both of these sectors should continue to make gains throughout the summer season as construction, tourism, and activity on the North Slope continue to grow.

The trade and service industries made slight gains in April and will continue to do so as a more rigorous seasonal upswing gets underway. Tourism, which affects both of these industries, had been projected to increase again this year. These projections are now being overshadowed however, by signs in the lower 48 that a recession

FAIRBANKS UNEMPLOYMENT RATE



is underway. Tourism is often one of the first industries to feel the secondary effects of a recession, as people feel less secure about the economy and begin to cut back on their discretionary spending. This is compounded by the fact that air travel rates have been and will continue to increase rapidly. Because of high gasoline costs, tourist traffic coming via the Alcan Highway is expected to again decline this year.

Conflicting reports have come from some of the larger tour and travel operators in Alaska. Some contend business will experience growth over last year's level and others feel business will fall below projections and in some cases below last year's levels. The longer, more costly tours have become less popular but apparently some operators have increased their sales of the more popular shorter tours enough to offset this. This could affect the interior because on the longer tour, the tourist is more likely to visit the area as opposed to the short tours which are more heavily concentrated along the marine highway. A slowdown in tourism could very well mean hotels and some tour operators will pull in their horns somewhat and employment in these areas may be below last year's levels. This would also cause some secondary dampening affect on other industries. Not until the tour season shifts into high gear will it become more clear where tourism is headed in this uncertain season.

INTERIOR ALASKA'S LABOR FORCE IN APRIL

By Neal Fried

Unlike Fairbanks, the balance of the Interior's unemployment rates in April have either fallen or remained unchanged from the previous month. Despite this the Interior region's rate continues to be the highest statewide, at 15.6 percent, with the Upper Yukon division topping the region with 27.2 percent.

Interior's wage and salary employment made gains in April but the upswing was not equal to last year's, though the absolute employment levels are above year-ago levels Much of the over-the-year increase was fueled by growth in government and transportation. Construction employment grew substantially in 1979 but is not likely to grow again above previous year's levels in 1980. Much of the growth came from school construction when 9 schools were being built in the region. Most of these schools have been completed or were nearly completed during the last construction season. Schools in Allakaket, Huslia and Nulato are the only projects with a substantial amount of work left to be completed.

Several housing projects are being considered for rural Interior this year and may get underway this construction season. This season will be an above average year for highway construction in the Interior. The proposed capital budget for the rural Interior may also help bolster the construction season but most of the money earmarked for construction projects will not become brick and mortar until the 1981 season. The proposed budget is approxi-

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
INTERIOR

	p/ 4-80	r/ 3-80	4-79	Changes From: 3-80	4-79
Nonagricultural Wage & Salary.....	24,450	24,050	24,100	400	350
Mining.....	100	100	100	0	0
Construction.....	1,150	1,000	1,100	150	50
Manufacturing.....	600	550	550	50	50
Transp.-Comm. & Utilities.....	3,550	3,550	3,400	0	150
Trade.....	3,900	3,850	4,250	50	-350
Finance-Insurance & Real Estate....	900	900	950	0	- 50
Services & Miscellaneous.....	4,900	4,700	4,450	200	450
Government 2/.....	9,350	9,400	9,300	- 50	50

1/ Data contained in this report covers the Upper Yukon census division, the Yukon-Koyukuk census division, the Southeast Fairbanks census division and the Fairbanks census division.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

mately $32 million, which is a record capital budget for the area. The lion's share of the money will be spent on education, various development projects, and transportation. Some of the larger educational projects include a $1 million vocational education facility in Delta, and a similar $2.5 million one at Fort Yukon. Tok will receive a $1 million athletic facility while a similar facility at Anderson will cost $2.3 million. In transportation $1.2 million will go into runway improvements in Koyukuk and $780,000 in Fort Yukon. Two road projects on the Richardson Highway from Delta to McCallum Creek and the Tok cutoff will be in excess of 3 and 2 million dollars each and $1.4 million will be spent on the Circle Mining District roads. Along with some other large projects there are countless others, of $500,000 and less in the various Interior towns and villages.

With the exception of some of the road projects which were only lacking funding to get underway, most other proposed projects in the budget will have to go through the different planning stages such as architectural design, bidding and other administrative steps before they actually get underway. This will push a majority of these projects into the 1981 construction season. With this years increase in highway construction, possible housing projects, some building construction and some of the capital budget money being spent this year, construction employment may reach last years levels despite the wind down in school construction in the Interior.

SOUTHEAST ALASKA'S LABOR FORCE IN APRIL

By Chris Miller

The employment situation in Southeastern Alaska began to show signs of coming summer activity. Almost all areas of the economy experienced employment gains in April. The only exception was the finance industry. The finance and real estate industries have been hampered by the tight monetary policy established by the Federal Reserve which has sent interest rates soaring.

The construction industry is getting off to a moderate start this spring. The Green Lake hydroelectric project in Sitka and the new Gastineau Channel bridge in Juneau started summer operations during the month and are progressing on schedule. These 2 construction jobs were the only major projects underway at this time.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

				Changes From:	
	p/ 4-80	r/ 3-80	4-79	3-80	4-79
Nonagricultural Wage & Salary.....	26,000	24,850	24,800	1,150	1,200
Construction.....	850	650	850	200	0
Manufacturing.....	4,000	3,600	3,450	400	550
Transp.-Comm. & Utilities.....	2,350	2,300	2,150	50	200
Trade.....	3,650	3,400	3,450	250	200
Wholesale Trade.....	350	300	300	50	50
Retail Trade.....	3,300	3,100	3,150	200	150
Finance-Insurance & Real Estate....	1,200	1,200	1,300	0	-100
Mining, Services & Misc.	3,400	3,350	3,050	50	350
Government 2/.....	10,550	10,350	10,550	200	0
Federal.....	2,250	2,250	2,350	0	-100
State.....	4,600	4,500	4,700	100	-100
Local.....	3,700	3,600	3,500	100	200

1/ Data in this report cover the following census divisions; Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway-Yakutat, and Wrangell-Petersburg.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

The anticipated demolition and construction of a new sawmill in Wrangell has been delayed indefinitely due to a labor dispute. The operators of the old "6 mile" mill had wished to use their own mill workers to demolish the old mill and construct a new one. However, construction craft unions objected to this arrangement and the mill workers' own union would not represent them during the construction. As a result, the old "6 mile" mill was shut down and its 50 workers laid off due to the high cost of continued operation and the added expense of bringing in outside construction workers to build the new mill. Fortunately for the laid off mill workers, about 2/3 of them have been rehired at the company's downtown mill. The downtown mill is now operating 2 shifts to make up for the loss of the old "6 mile" mill.

It appears that housing construction in Southeastern may hold its own this summer in spite of the current credit crunch. Building permits for the first 4 months of the year are running at about the same level as they did last year in most communities around the region. New construction as opposed to remodeling and alterations may increase in Ketchikan and Sitka and is likely to be down in Juneau. The only large building project in Juneau this year is expected to be the Park Shore condominium project.

Employment in manufacturing increased by over 11 percent in April due mainly to activity in the logging industry. The current employment situation is definitely to the employers advantage. Due to the depressed state of the industry along the rest of the west coast, the supply of experienced loggers looking for work in Alaska has never been greater. Most logging companies have plenty of work and the poor employment situation elsewhere has reduced turnover to almonst nothing.

Activity in the fishing industry was highlighted by the herring fishery in Sitka Sound and the bankruptcy of New England Fish Company. There were 50 purse seiners involved in the Sitka opening which netted approximately 4,385 tons of fish. Canneries and cold storage plants all over Southeast were involved in processing the catch. The price paid to fishermen, however, was down considerably from last year.

During April the New England Fish Company (NEFCO) filed for bankruptcy. The failure of this company has caused some problems in Southeast Alaska. In Southeastern, NEFCO's coldstorage plant in Ketchikan was affected. The plant which was in the process of starting up for the summer, closed its doors and may not reopen for this season. NEFCO's cannery which was jointly operated by Whitney-Fidalgo should operate this season. The NEFCO plant in Craig, which burned to the ground last summer continues to be rebuilt most likely from insurance money already committed to the project. Who will operate the Craig plant when completed is unknown at this time.

The rest of the economy appeared to be progressing normally. Transportation, trade, mining and services all are experiencing employment levels above last year and should continue to do so throughout the summer. Government employment is expected to remain fairly stable through the summer. A large part of April's increase in state government employment was caused by the beginning of a new session at the state police academy in Sitka.

HOURS AND EARNINGS FOR APRIL 1980

By Debbie Berggren

Decreases in the average hourly earnings for fabricated structural metal products and ready mix concrete sectors contributed to the overall decline in earnings for manufacturing. The increase in the food and kindred products sector was brought on by the gearing-up of salmon canneries and also the processing of herring roe and crab. This increase in seafood processing greatly influenced the overall increase in average weekly hours for manufacturing.

Seasonal increases in the heavy construction and electrical contracting influenced the increase in average weekly hours for the construction industry.

Declines in the retail trade sector were greatly influenced by the economic slowdowns felt by the food stores in the Anchorage and Fairbanks areas. The automotive sales and repair sectors, excluding gasoline service stations, also contributed to the decline in both hours and earnings in retail trade.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	AVERAGE HOURLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE WEEKLY EARNINGS		
	p/ 4/80	r/ 3/80	4/79	p/ 4/80	r/ 3/80	4/79	p/ 4/80	r/ 3/80	4/79
MINING	19.66	19.44	18.06	50.5	51.2	52.5	992.83	995.33	948.15
CONTRACT CONSTRUCTION	18.74	18.93	18.18	39.5	37.4	40.9	740.23	707.98	743.56
MANUFACTURING	10.25	10.51	9.49	45.6	43.3	39.7	467.40	455.08	376.75
Food & Kindred Products	7.11	6.96	5.71	48.3	43.6	36.6	343.41	303.46	208.99
Lumber & Paper Products	13.46	13.07	12.01	45.3	44.3	43.4	609.74	579.00	521.23
TRANSPORTATION,COMM. & UTILITIES.	12.91	12.61	12.32	38.4	39.2	35.3	495.74	494.31	434.90
TRADE	8.38	8.52	8.05	34.1	35.0	35.1	285.76	301.70	282.55
Wholesale Trade	9.54	9.86	9.66	36.9	38.6	38.1	352.03	380.60	368.05
Retail Trade	7.94	8.15	7.47	33.1	33.9	34.1	262.81	276.29	254.73
FINANCE,INSURANCE & REAL ESTATE..	--	--	--	--	--	--	279.19	273.48	266.07

1/ Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor

2/ excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	p/ 4/80	r/ 1/80	4/79	p/ 4/80	r/ 1/80	4/79	p/ 4/80	r/ 1/80	4/79	p/ 4/80	r/ 1/80	4/79
Alaska Statewide	185636	181514	177012	20284	19425	17488	10.9	10.8	9.9	165352	161939	159524
Anchorage-Matsu Region	87549	84745	87309	8014	8105	7478	9.2	9.3	8.6	79535	76640	79831
Anchorage	79910	79083	79899	6472	6471	6187	8.1	8.2	7.7	73438	72612	73712
Matanuska-Susitna	7639	7662	7410	1542	1634	1291	20.2	21.3	17.4	6097	6028	6119
Gulf Coast Region	22638	21446	20538	3267	2802	2310	14.4	13.1	11.2	19371	18644	18328
Cordova	1202	1157	1132	106	101	95	8.8	8.7	8.4	1096	1056	1037
Kenai	12124	11560	10991	1935	1744	1352	16.0	15.1	12.3	10188	9816	9639
Kodiak	5043	4632	4530	657	405	380	13.0	8.8	8.4	4386	4226	4150
Seward	1616	1567	1504	200	202	164	12.4	12.9	10.9	1416	1365	1340
Valdez	2653	2550	2481	369	349	319	13.9	13.7	12.9	2285	2201	2162
Interior Region	25942	25049	24531	4054	3520	3615	15.6	14.4	14.7	21888	21449	21016
Fairbanks	21163	20377	20287	3166	2741	3007	15.0	13.5	14.8	17997	17636	17280
Southeast Fairbanks	2043	2010	1892	324	326	242	15.9	16.2	12.8	1719	1684	1650
Upper Yukon	534	523	438	145	142	64	27.2	27.2	14.6	389	381	374
Yukon-Koyukuk	2202	2159	2014	419	411	302	19.0	19.0	15.0	1783	1748	1712
Northern Region	9556	9332	8415	919	887	642	9.6	9.5	7.6	8537	8445	7773
Barrow-North Slope	3620	3544	3228	174	174	126	4.8	4.9	3.9	3446	3370	3102
Kobuk	2523	2459	2214	322	307	233	12.8	12.5	10.5	2201	2152	1981
Nome	3413	3329	2973	423	406	283	12.4	12.2	9.5	2990	2923	2690
Southeast Region	28637	27844	27345	2764	2937	2445	9.7	10.5	8.9	25873	24927	24920
Angoon	356	339	339	71	64	64	19.9	18.9	18.9	285	275	275
Haines	948	806	824	135	119	137	15.9	14.8	16.6	713	687	687
Juneau	10118	9819	9630	843	882	697	8.3	9.0	7.2	9275	8936	8933
Ketchikan	6514	6267	6344	521	493	572	8.0	7.9	9.0	5993	5774	5772
Outer Ketchikan	1045	1021	995	94	105	79	9.0	10.3	7.9	951	916	916
Prince of Wales	1371	1375	1328	134	184	137	9.8	13.4	10.3	1237	1191	1191
Sitka	3740	3658	3589	316	359	291	8.4	9.8	8.1	3424	3299	3298
Skagway	1557	1531	1459	225	248	176	14.5	16.2	12.1	1332	1283	1283
Wrangell-Petersburg	3088	3049	2857	425	483	292	13.8	15.8	10.2	2663	2566	2565
Southwest Region	11314	11058	8954	1266	1274	998	11.2	11.5	11.5	10048	9784	7956
Aleutian Islands	2843	2786	2165	199	211	150	7.0	7.6	6.9	2644	2575	2015
Bethel	3775	3675	2866	470	457	348	12.5	12.4	12.1	3305	3218	2518
Bristol Bay Borough	520	516	395	57	55	42	11.0	12.6	10.6	463	451	353
Bristol Bay	1442	1417	1107	153	162	125	10.6	11.4	11.3	1289	1255	982
Kuskokwim	1073	1048	856	181	179	175	16.9	17.1	20.6	892	869	680
Wade Hampton	1661	1616	1265	206	200	157	12.4	12.4	12.4	1455	1416	1108

p/-Preliminary r/-Revised 1979 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

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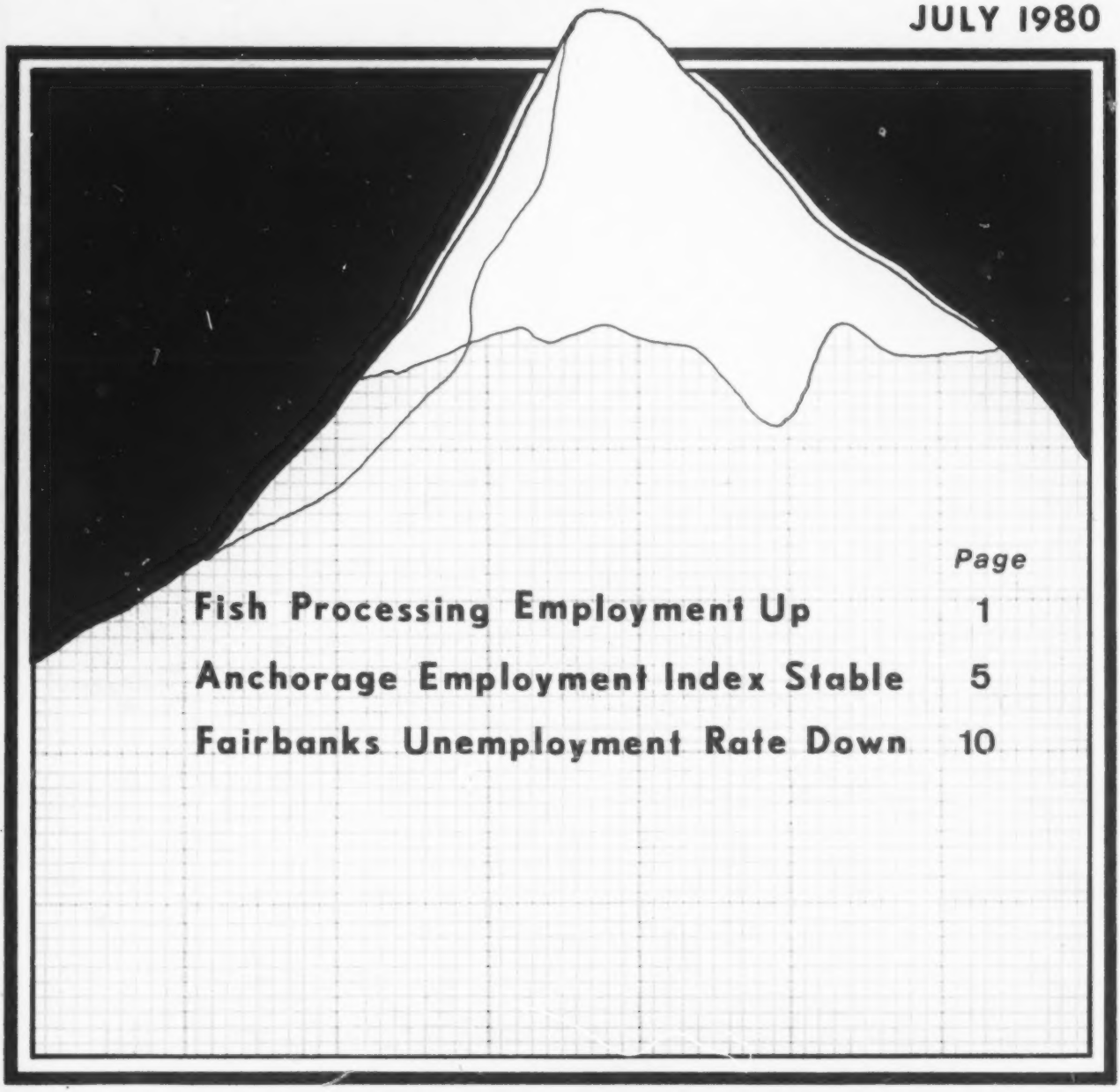
ALASKA ECONOMIC TRENDS

JULY 1980



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Fish Processing Employment Up	1
Anchorage Employment Index Stable	5
Fairbanks Unemployment Rate Down	10

STATE OF ALASKA · DEPARTMENT OF LABOR
RESEARCH AND ANALYSIS SECTION
JAY S. HAMMOND, GOVERNOR

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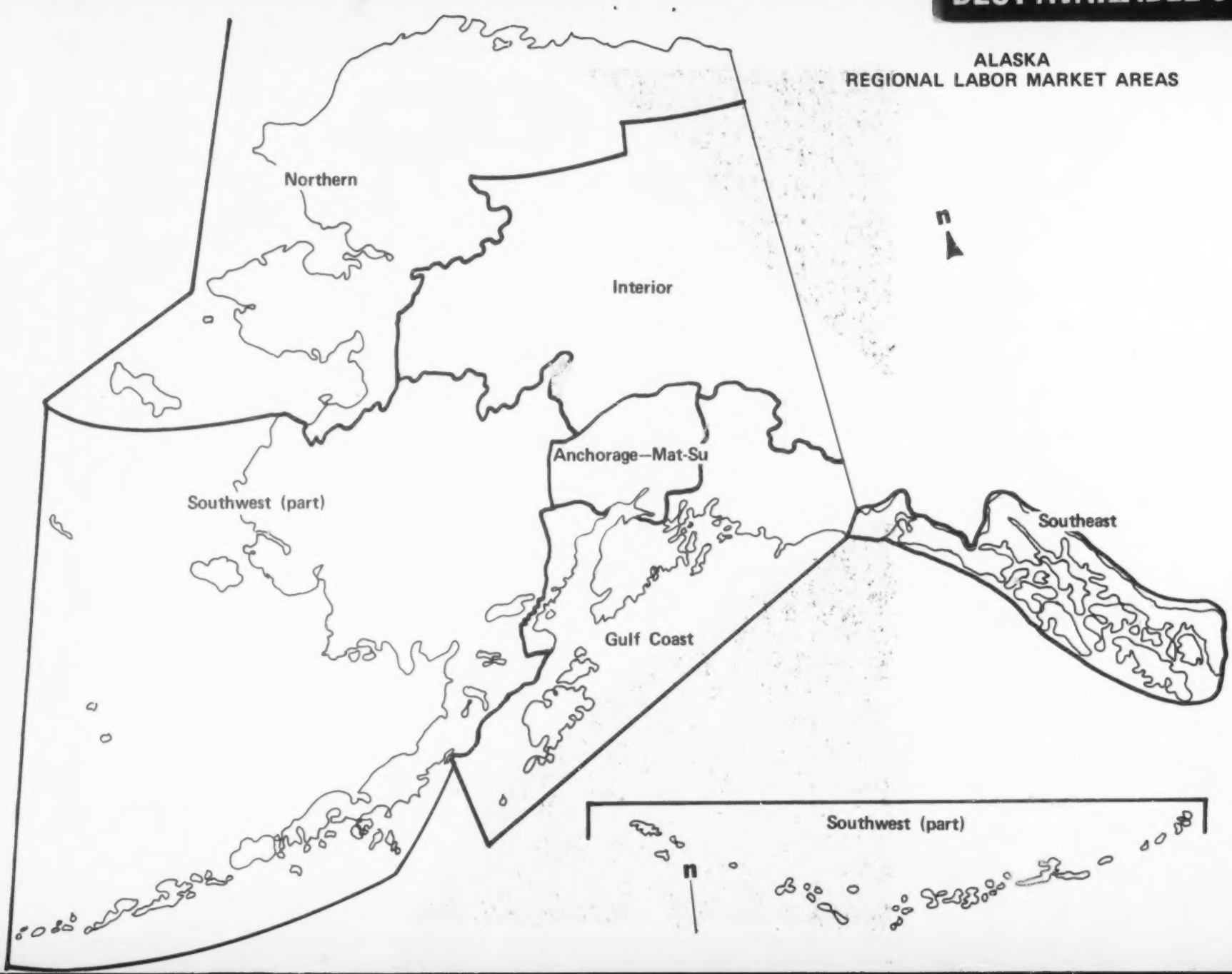


ALASKA ECONOMIC TRENDS

Jay S. Hammond, Governor
State of Alaska

Edmund N. Orbeck, Commissioner
Commissioner of Labor

John E. Post, Chief
Research and Analysis

July 1980

Chris Miller, Editor

ALASKA'S LABOR FORCE IN MAY

By Chris Miller

Employment opportunities around the state have been rather mixed this spring. The logging industry is doing quite well, government funded construction is up over the year, and tourism appears to be strong. On the other hand, private housing and building construction continues to be depressed, particularly in the Anchorage and Fairbanks areas. The trade and service industries have not experienced any significant growth, and employment in the finance industry has declined about 6 percent from last year.

Employment in the manufacturing industry continued to increase in May, mainly due to activity in the seafood processing industry. Herring catches of approximately 5,000 tons in Prince William Sound and 17,000 tons in Bristol Bay kept most processors in those areas busy. The Bristol Bay catch was characterized by Department of Fish and Game sources as up significantly from last year. In spite of the closure of New England Fish Company, the seasonal increase in employment in the seafood processing industry continued to expand at about the normal rate.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

				Changes From:	
	5-80 p/	4-80 r/	5-79	4-80	5-79
Nonagricultural Wage & Salary.....	169300	164700	169200	4600	100
Mining.....	6300	6100	6000	200	300
Construction.....	9500	8400	9700	1100	-200
Manufacturing.....	13500	11200	13200	2300	300
Food & Kindred Products.....	7000	4900	7200	2100	-200
Lumber & Paper Products.....	4000	4000	3500	0	500
All Other Manufacturing.....	2500	2300	2500	200	0
Transp.-Comm. & Utilities.....	17100	16600	16600	500	500
Trucking & Warehousing.....	2000	1800	2000	200	0
Water Transportation.....	1300	1200	1300	100	0
Air Transportation.....	5200	5200	5000	0	200
Other Transp.-Comm. & Utilities..	8600	8400	8300	200	300
Trade.....	29200	28900	29600	300	-400
Wholesale Trade.....	5500	5500	5600	0	-100
Retail Trade.....	23700	23400	24000	300	-300
General Merchandise & Apparel..	4000	3900	4000	100	0
Food Stores.....	3700	3500	3700	200	0
Eating & Drinking Places.....	7900	8000	8200	-100	-300
Other Retail Trade.....	8100	8000	8100	100	0
Finance-Insurance & Real Estate....	8200	8100	8700	100	-500
Services & Miscellaneous.....	30300	29900	29700	400	600
Government 2/.....	55200	55500	55700	-300	-500
Federal.....	17900	17900	17800	0	100
State.....	14800	15200	14700	-400	100
Local.....	22500	22400	23200	100	-700

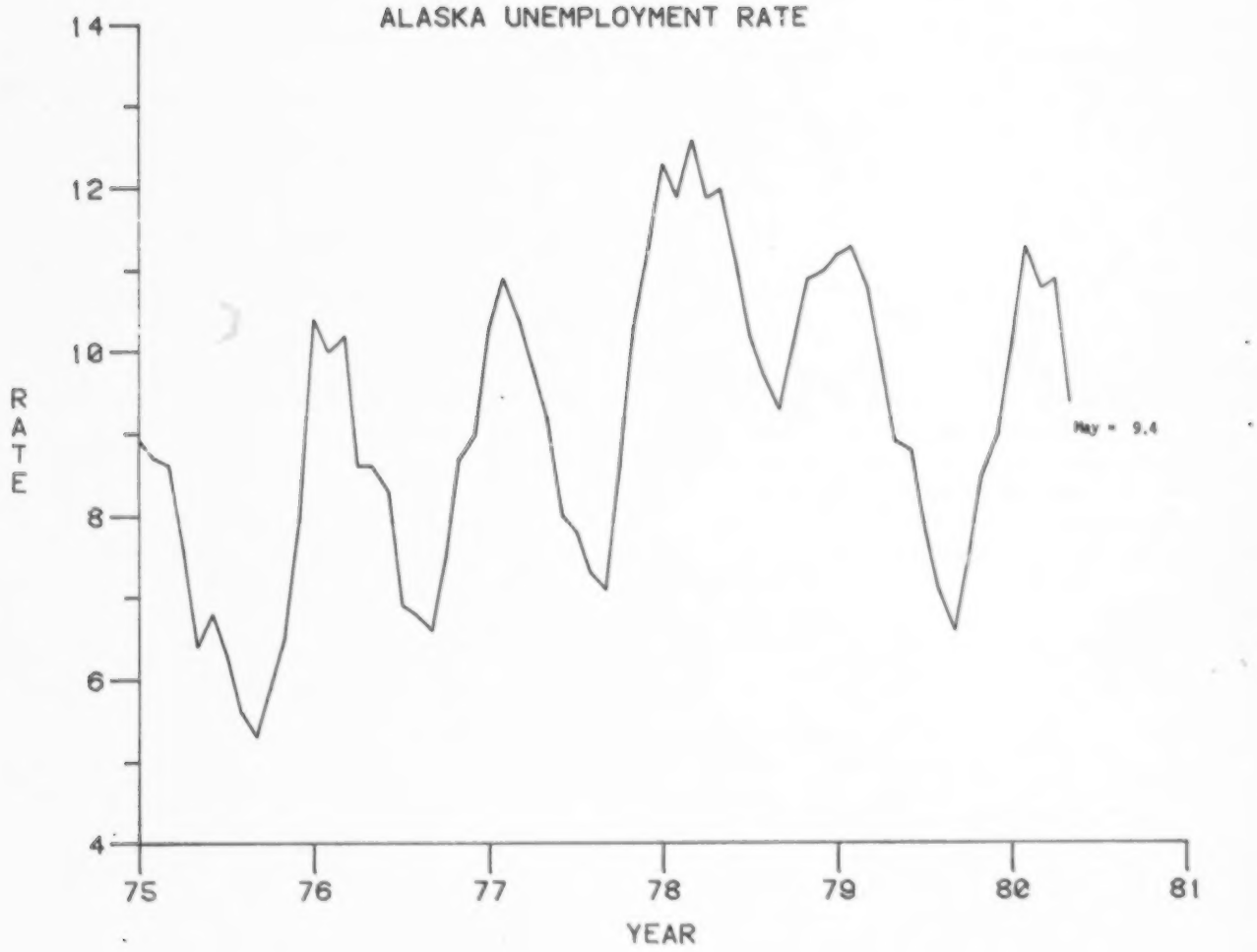
1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.


ALASKA UNEMPLOYMENT RATE
14
12
10
8
6
4
RATE
May = 9.4
75
76
77
78
79
80
81
YEAR

Activity in the wood products industry appears to have reached about full strength during May. Employment in this industry is up about 13 percent from last year. Southeastern Alaska had exceptionally dry weather in May. "Hoot owl" shifts were imposed by the U.S. Forest Service in the area during the later half of the month. Because this action occurred after the survey week any reduction in employment that might have resulted is not reflected in the May employment data.

Employment in the construction industry increased approximately 13 percent between April and May. This seasonal increase was only slightly less than that experienced in 1979. Overall, the construction industry has declined less than 3 percent from last year. This is due partly to government spending which has been able to stabilize employment in heavy construction. Highway construction employment is estimated to be up about 25 percent from last year, where as housing and building construction employment is down approximately 17 percent. Most of the decline in housing and building construction is in the Anchorage area with some additional declines in Fairbanks and the Northern region of the state. Building construction employment in the Southeast, Gulf Coast and Southwestern regions is up about 3 percent compared to last year.

This year's tourist season is off to a reasonably good start. The amount of tourist activity varies from region to region ranging from strong in the Southeast to modest in the North. Hotel employment increased just over 9 percent during May, which is about the same amount of seasonal growth that occurred last year at this time. Employment in hotels is also up over last year by about 2 percent. Other industries which are effected by tourism also have experienced over-the-year growth. Air transportation is up by about 4 percent and souvenir and jewelry shop employment has increased around 5 percent.

The only significant change in the government sector in May was in state government. Employment at the University of Alaska declined by about 20 percent with the end of the school year. Offsetting this seasonal decline were seasonal increases among the state departments of Natural Resources, Fish and Game,and Transportation, all of which experienced increases of over 100 employees.

ANCHORAGE LABOR FORCE IN MAY

By Cal Dauel

Total wage and salary employment is above year-ago levels, but not by much. This measure of employment has been fluctuating for two years. Some months it has been above year-ago levels, and some months it has been below, but there is no trend. As a result, the nonag. employment index flattened out at the start of 1978, and has remained at nearly the same level since that time.

However, there is a monthly change in the level of wage and salary employment. The seasonal growth in employment really took off this month with a jump of nearly 2000. This is less than the typical monthly rise for May, but still substantial. As you would expect construction, the most seasonal industry, had the most change since April.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE

			Changes From:		
	5-80 p/	4-80 r/	5-79	4-80	5/79
Nonagricultural Wage & Salary.....	77800	75850	77500	1950	300
Mining.....	2300	2300	1800	0	500
Construction.....	5300	4800	5650	500	-350
Manufacturing.....	1550	1400	1700	150	-150
Food & Kindred Products.....	400	350	400	50	0
Other Manufacturing.....	1150	1050	1300	100	-150
Transp.-Comm. & Utilities.....	8300	7950	7800	350	500
Trucking & Warehousing.....	1000	950	1150	50	-150
Water Transportation.....	350	350	350	0	0
Air Transportation.....	3350	3150	2950	200	400
Other Transp.-Comm. & Utilities..	3600	3500	3350	100	250
Trade.....	17200	16650	17050	550	150
Wholesale Trade.....	4050	4000	4050	50	0
Retail Trade.....	13150	12650	13000	500	150
General Merchandise & Apparel..	1750	1650	1600	100	150
Food Stores.....	1800	1700	1550	100	250
Eating & Drinking Places.....	4550	4450	4700	100	-150
Other Retail Trade.....	5050	4850	5150	200	-100
Finance-Insurance & Real Estate....	5150	5100	5350	50	-200
Services & Miscellaneous.....	16000	15700	15750	300	250
Government 2/.....	22000	21950	22400	50	-400
Federal.....	9500	9300	9600	200	-100
State.....	4800	4950	4700	-150	100
Local.....	7700	7700	8100	0	-400

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

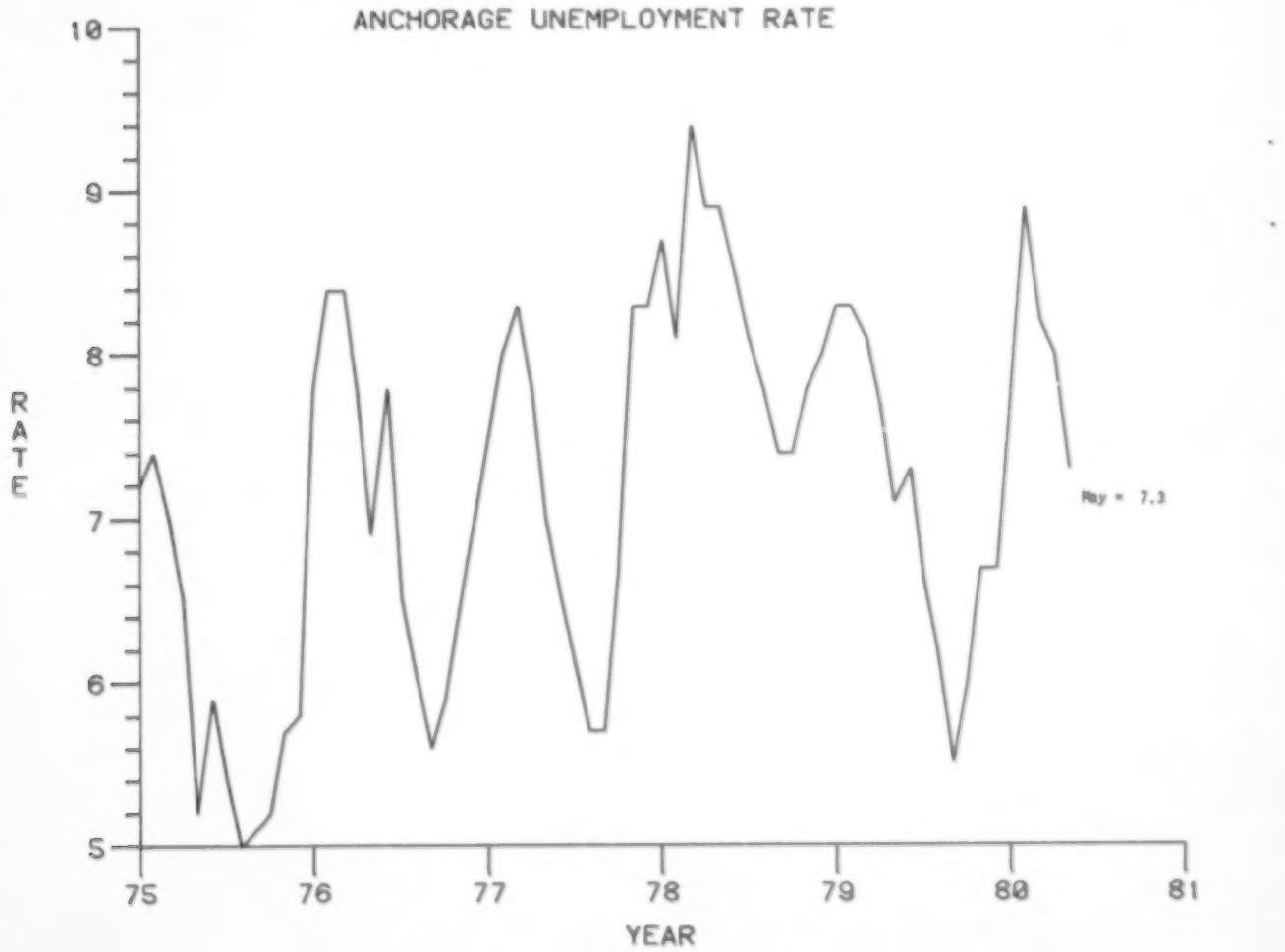
3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Employment in construction rose by 500 this month as highway projects resumed operation, and repair of wind damaged structures continued. There is little activity in residential construction. Interest rates and vacancy rates remain high, and the majority of residential construction is for owners.

Two interesting construction projects are visible in the Anchorage port area. York Steel company is beginning development of a small boat harbor next to Ship Creek. The 60 acre project is underway. Fill has been spread on 5 1/2 acres of the Ship Creek flats, and plans call for a 2000 foot extension into Cook Inlet which will enclose the boat harbor. Construction now is at a standstill awaiting negotiations for a portable suction dredge. The current work plan calls for dredging to begin in the 1/2 mile square area west of the proposed harbor. This would eventually provide access for ocean going vessels to the harbor and at the same time produce fill for the enclosing breakwater and the development of the area. The fill will need to be capped, but approximately 90 percent of the 2 million yards of material should come from the dredging operation. This will not be a labor intensive operation, and even if dredging begins this year the work force will be less than 10. Even though the construction employment will be small the effect on the local economy could be considerable. Opportunities abound on how the development could proceed beyond a small boat harbor. They range from a combination office building-restaurant to a small park. Some of the



possibilities will be delayed, or maybe never appear, but still the visual and economic impact on Anchorage will be considerable.

The other project making an appearance in the Port area is the Arctic Alaska Drilling Company rig-up yard. The site preparation at the Alaska Railroad Depot Industrial Park is completed and rig construction will begin in September. A maximum of 2 rigs could be built at a time, but a continuing procession is expected if the orders come in. The firm has a 4 year lease and anticipates building one rig a year. This could require a work force of about 30 and would continue through the winter. The main skills involved include welders, welders helpers and electricians, all of which Anchorage has an adequate supply. All of the workers are from the Anchorage labor market with many of the welders helpers becoming operators of the rig when it is on-site and drilling. Originally, the Ship Creek site was to be used for the construction of 2 other rigs, but the current owners bought out the outstanding interests and are constructing them near International Airport Road and the Old Seward Highway. Here a work force of nearly 100 welders, welders helpers, electricians and a sprinkling of nearly every skill are busily engaged in constructing the rigs. In July and August, drillers, roughnecks and roustabouts will be added to the construction crew. They will become operators on the rigs, which are scheduled for completion in September and October. The rigs must be completed in time for this winter's drilling season beginning November first. They are being built in modules so they can be trucked to the North Slope. Once again, the entire work force is being hired locally.

The second major industry with a large amount of seasonal growth is construction's companion, manufacturing. The manufacture of products necessary for construction gives rise to the industries growth. As in construction, the change is not up to other years standards, but even in poor years there is increased demand for products. The fish processing sector also contributed some monthly growth. It remains to be seen how much processing will occur in Anchorage. There will be plenty of fish in Bristol Bay, but demand and prices are definitely down, and a fishermen's strike over prices could restrict the catch.

ANCHORAGE MAT-SU LABOR FORCE IN MAY

By Cal Dauel

The regional unemployment rate dropped nearly a full percentage point since April. Both Anchorage and Mat-Su saw declines in the number of unemployed, accompanied by seasonal gains in employment. The decline in unemployment was not as large as the increase in employment because of expansion in the labor force. Spring always witnesses growth in the labor force. Workers return from "outside", or begin looking for work.

Compared to last year, the region's unemployment rate is slightly higher. Anchorage's rate is nearly the same, but the rate in Mat-Su is almost 3 percentage points higher.

The number of unemployed is not being reduced as rapidly this year. Employment in the valley has not fallen off much, but workers who normally find work elsewhere in the state are remaining unemployed this year, and producing a higher rate.

Even though growth in the economy has stopped, inflation as measured by the Consumer Price Index continues to be a fact of life. The May C.P.I. for All Urban Consumers reported that prices rose 11.3 percent compared to last year. Of the major west coast cities, only Fairbanks has a slower rate of change. The slow economy is depressing demand and keeping inflation below the national average, but double digit inflation is still a startling event in a stagnant economy.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE-MATSU

			Changes From:		
	5-80 p/	4-80 r/	5-79	4-80	5-79
Nonagricultural Wage & Salary.....	80850	78900	80550	1950	300
Mining.....	2300	2300	1800	0	500
Construction.....	5450	4950	5850	500	-400
Manufacturing.....	1600	1450	1700	150	-100
Transp.-Comm. & Utilities.....	8750	8400	8050	350	700
Trade.....	17900	17350	17800	550	100
Finance-Insurance & Real Estate....	5300	5250	5500	50	-200
Services & Miscellaneous.....	16300	16000	16200	300	100
Government 2/.....	23250	23200	23650	50	-400

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merril Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

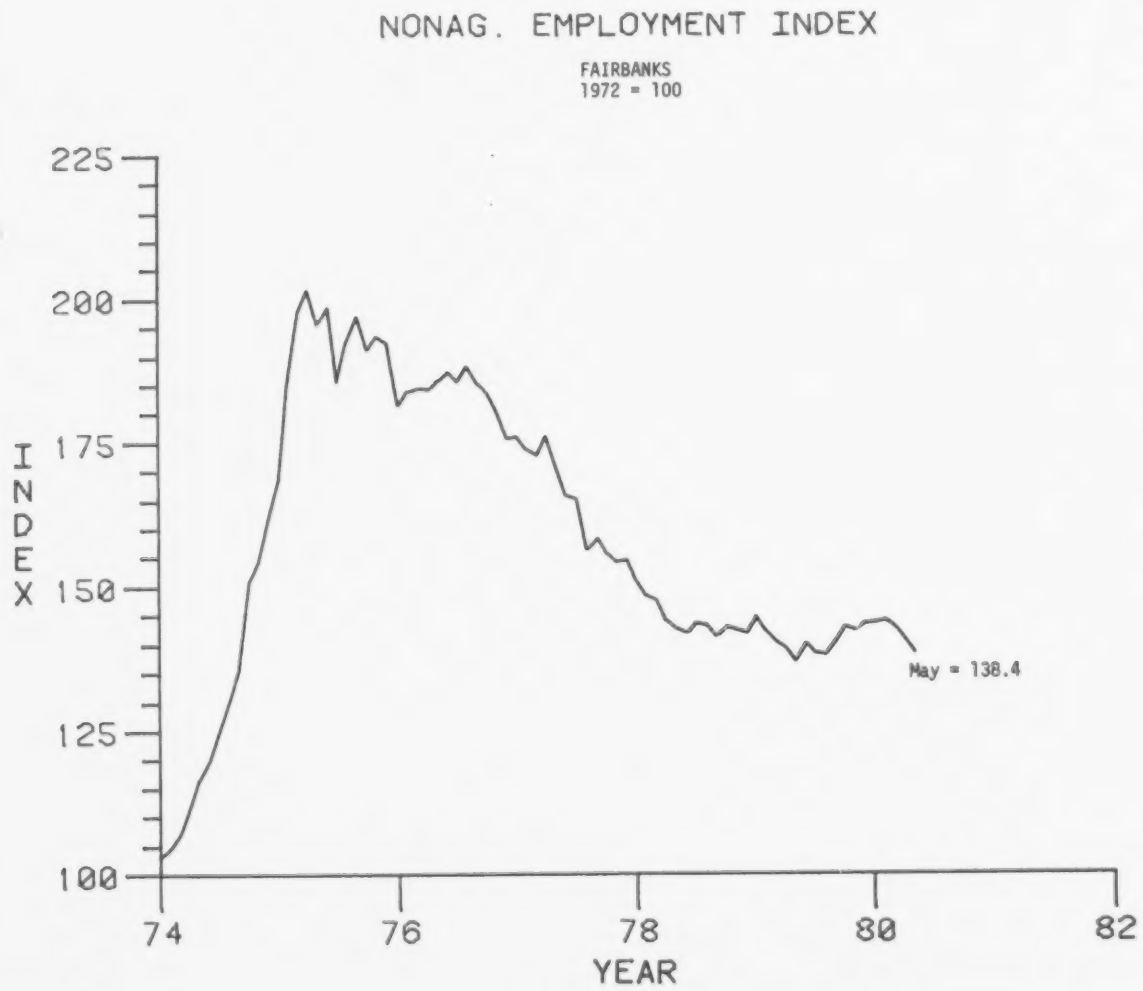
r/ Denotes revised estimates.

FAIRBANKS LABOR FORCE IN MAY

By Neal Fried

With some flair, Fairbanks' employment picture improved in May. The unemployment rate of 12.2 percent in May is a drop from 15.0 percent in April and is also below last May's level of 14.3 percent. Wage and salary employment increased by 450 this month. All industries in the private sector recorded increases, but the construction sector alone was responsible for 67 percent of this gain. Employment in the government sector declined slightly due to the end of the spring semester at the University. As the seasonal upswing continues to make gains, other sectors such as transportation and services will make bigger contributions to the improving employment picture.

One project which got underway in May which helped boost construction employment was the expansion of the North Pole Refinery. Work on Phase I which will boost its jet fuel capacity began in May and Phase II which will expand the overall size of the refinery will begin in June. Approximately $7 million



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

	p/ 5-80	r/ 4-80	5-79	Changes From: 4-80	5-79
Nonagricultural Wage & Salary.....	21000	20500	20800	500	200
Mining.....	50	50	50	0	0
Construction.....	1300	1000	1400	300	-100
Manufacturing.....	550	500	500	50	50
Transp.-Comm. & Utilities.....	2700	2600	2550	100	150
Trucking & Warehousing.....	400	350	350	50	50
Air Transportation.....	700	700	750	0	-50
Other Transp.-Comm. & Utilities..	1600	1550	1450	50	150
Trade.....	3700	3600	3850	100	-150
Wholesale Trade.....	700	650	700	50	0
Retail Trade.....	3000	2950	3150	50	-150
General Merchandise & Apparel..	400	400	400	0	0
Food Stores.....	550	550	500	0	50
Other Retail Trade.....	2050	2000	2250	50	-200
Finance-Insurance & Real Estate....	800	800	950	0	-150
Services & Miscellaneous.....	4550	4500	4250	50	300
Government 2/.....	7350	7450	7250	-100	100
Federal.....	2100	2050	2250	50	-150
State.....	3000	3150	2700	-150	300
Local.....	2250	2250	2300	0	-50

1/ Data contained in this report covers the Fairbanks Census Division.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark data March

p/ Denotes preliminary estimates.

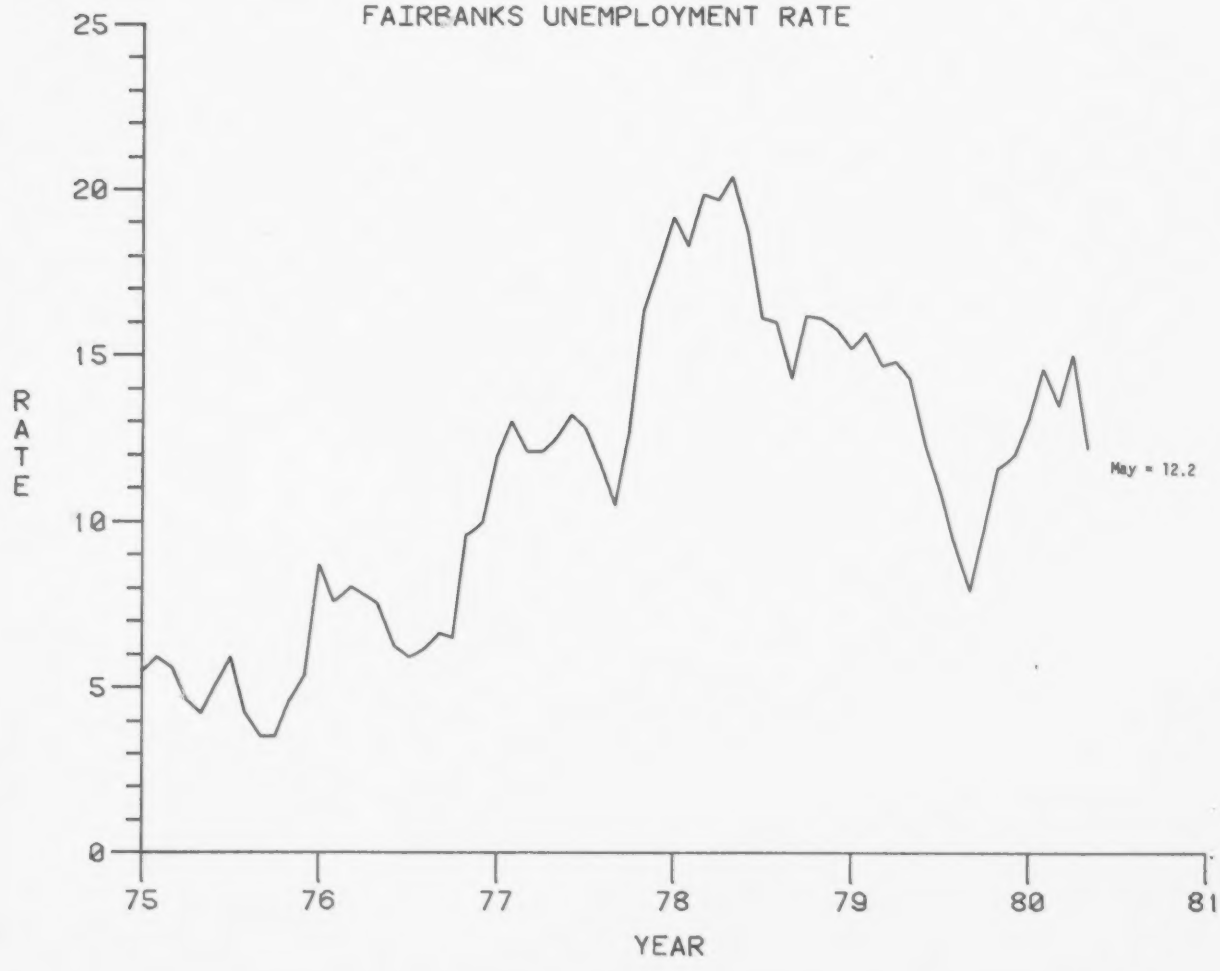
r/ Denotes revised estimates.

will be spent on the expansion project and an average of 22 workers will be on the work site with a peak of 40 workers.

In May, the finishing touches were being made to the unprecedented state capital improvement legislation which will have a sizable effect on Fairbanks' and the state's economy during the next two to three years. These record appropriations are not found in any one bill, but are part of the many bills and the state budgets which passed this session. This includes the Capital Budget, bond bills, a reappropriation bill and "HB-60", the supplementary appropriation bill which attempts to satisfy most of the wants and wishes of state government, local governments, and organizations throughout the state.

Out of all these appropriation bills and the capital budget, approximately $84 million has been earmarked for Fairbanks. This includes the bond issues to be put before the voters in November for approval. But this does not include money which has been appropriated to statewide projects which Fairbanks will likely share in. The largest of these could be the $6 million Energy Center funded this session.

The FY 1980 Capital Budget for Fairbanks was approximately $4.8 million compared with the FY 1981 Capital Budget of $19.6 million. The largest list of appropriations come out of HB-60 which adds up to approximately $45 million. Appropriations from the "Christmas Tree" bills passed in recent years does not even come close to the unprecedented magnitude of the HB-60 appropriations.



A mixture of items are being funded. Approximately $72 million of the $84 million will go to construction projects of various types and sizes, from highway construction to bike paths, sewer projects to clearing land for gardens, etc. The balance will go to operating expenses, special studies, equipment acquisitions, library acquisitions, and other related items. A portion of the money in HB-60 was directly appropriated to local governments. Approximately $27 million were appropriated to local governments within the Fairbanks North Star Borough for a variety of projects ($15 million to the City, $10 million to the Borough and $1.7 million to the City of of North Pole). Also approximately $6.1 million went to the University of Alaska and Tanana Valley Community College in Fairbanks.

Some of this money will be spent quickly, but many of the projects, especially those construction related, will have to go through a number of steps, such as the design and bid process before a brick is layed. For example, very few of the City projects will get beyond these preliminary stages before the end of this construction season. The actual construction phases of most of these projects will commence in the 1981 construction season and in most cases, will also be completed that same year. However, many of the Borough projects (approximately $6.5 million worth) are expected to commence this year and the City of North Pole also hopes to begin its projects this year. Actual construction of some of the state administered projects will begin this year, while others will only get through the planning stages. A number of road projects funded by HB-60 are expected to be started this season because the planning phases had already been completed and all that was lacking was the funding. The road projects contained in the Capital Budget will have to wait for bond approval in November.

Only a few of the projects have been discussed here to indicate the variety of projects involved. Ten thousand dollars was appropriated for solar green houses and $40,000 to the Head Start Program. In North Pole, a Public Safety building was funded for $400,000 and $2 million for Alaskaland renovations. The Fairbanks Recreation Center also received money for renovations to the tune of $1 million and an equal amount is to go to mass transit and to paving Nordale Road. South Fairbanks will receive a water loop worth $2.8 million. If the bond issues pass in the fall, Fairbanks will receive $4.9 million for expansion of the correctional center and $8.5 million for the University of Alaska Library. Again, these are only a few of the many projects funded by the 1980 legislature.

During the next 2-3 years all of these projects will have the effect of temporarily and in some cases permanently stimulating the Fairbanks economy. It would be difficult to tell how many jobs will be created but it will definitely put downward pressure on Fairbanks' unemployment situation.

INTERIOR ALASKA'S LABOR FORCE IN MAY

By Neal Fried

The unemployment rate for the Interior fell 2.9 percentage points in May or from 15.6 percent to 12.7 percent. This rate continues to top all regions but at the same time it is below last year's and 1978's rate in May. The rate is expected to continue falling for the next 3-4 months, possibly falling as low as 7-8 percent as more of Interior's seasonal industries get underway. It is not unusual for the unemployment rates for the region and in particular the divisions within the region to move more than seven points within a period of a year. In some of the divisions in the Interior, a very small change in the employment picture can alter the rate drastically.

The balance of Interior's wage and salary employment (minus Fairbanks) grew by 150 in May. Growth came in those seasonal industries that get an early start during the summer season. Most of the growth came in highway construction, mining, services and government. As mentioned in a prior article this year's road work activity in the Interior should reach levels far above last year's levels. A number of large highway projects on the Elliott highway alone got underway in May. For example, the $6.5 million Tolovana-Livengood project, being undertaken by Doyon/Ghemm, got into full swing in May with approximately 37 people working

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
INTERIOR

	5-80 p/	4-80 r/	5-79	Changes From: 4-80	5-79
Nonagricultural Wage & Salary.....	25050	24450	24950	600	100
Mining.....	150	100	150	50	0
Construction.....	1500	1150	1500	350	0
Manufacturing.....	700	650	750	50	-50
Transp.-Comm. & Utilities.....	3600	3550	3550	50	50
Trade.....	3900	3850	4250	50	-350
Finance-Insurance & Real Estate....	900	900	1000	0	-100
Services & Miscellaneous.....	4950	4850	4650	100	300
Government 2/.....	9350	9400	9100	-50	250

1/ Data contained in this report covers the Upper Yukon census division, the Yukon—Koyukuk census division, the Southeast Fairbanks census division and the Fairbanks census division.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

on it which includes contractors and state personnel. Work on Mile 7 to Snowshoe also began, involving approximately 30 workers and it is expected to be completed by the end of August. M-B Construction and the state had approximately 35-40 people on the Snowshoe-Tolovana project. These are only 3 of a number of large projects that will get underway this season in the Interior, providing employment for many of its residents for 3-5 months out of the year.

Fire fighting boosted government employment in May. The Interior began battling fires somewhat early this season in Delta and Blair Lakes. Most of the fire fighters were employed by the state and not BLM since the fires were on state land. The number of individuals involved from the Interior was 140, coming from 10 villages and towns. Complete crews (16 in a crew) or more came from Northway, Ruby, Tanana, Tanacross, Tetlin Delta and Tok. An additional 110 firefighters came out of Fairbanks. All these figures also include part of June. This is only the beginning of the season, the number of people involved could potentially grow much larger.

SOUTHEAST ALASKA'S LABOR FORCE IN MAY

By Chris Miller

Unlike much of the rest of the state, employment in Southeast Alaska is following a near normal seasonal expansion. Total nonagricultural wage and salary employment grew about 4 percent between April and May. This is about the same rate of seasonal expansion as experienced in 1978 and 1979. In further contrast to the statewide employment picture, total wage and salary employment has grown a modest 2 percent compared to no growth at the statewide level.

Construction employment continues to expand throughout the Southeast region in May. Unlike Anchorage and Fairbanks housing construction in Southeast Alaska is up over last year. Highway and other heavy construction is also up from last year.

Seafood processing employment is running about normal for this time of year. However, because this year's salmon run is only expected to be fair to poor, employment in this industry is not expected to reach employment levels experienced in previous years.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

				Changes From:	
	5-80 p/	4-80 r/	5-79	4-80	5-79
Nonagricultural Wage & Salary.....	26600	25600	26000	1000	600
Construction.....	450	850	900	100	50
Manufacturing.....	4500	4050	4000	450	500
Transp.-Comm. & Utilities.....	2450	2300	2400	150	50
Trade.....	3650	3450	3600	200	50
Wholesale Trade.....	350	350	300	0	50
Retail Trade.....	3300	3100	3300	200	0
Finance-Insurance & Real Estate....	1200	1200	1300	0	-100
Mining, Services & Misc.	3350	3250	3150	100	200
Government 2/.....	10500	10500	10650	0	-150
Federal.....	2350	2250	2500	100	-150
State.....	4550	4600	4600	-50	-50
Local.....	3600	3650	3550	-50	-50

1/ Data in this report cover the following census divisions, Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway-Yakutat, and Wrangell-Petersburg.

2/ Includes teachers in primary and secondary schools, and personnal employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

With employment up over 20 percent from last year, activity in logging camps around the region continued to be quite strong. Very dry weather during the later half of May caused the U.S. Forest Service to impose "Hoot Owl" shifts on the logging companies. Hoot Owl shifts operate in the early morning and late evening with a midday break to reduce the potential fire hazard. Employment in the lumber and pulp mills was also up over last year.

The first tour boats of the season arrived in Southeastern Alaska in mid-May. The number of tour vessels coming up the Inside Passage is expected to be up over last year. A national trend to shorter vacations of 2 weeks or less has helped the tour industry in Southeastern Alaska. Juneau has particularly benefited from the shorter ship-plane tour packages. In this type of package the visitor travels to Juneau by ship and either uses Juneau as a base for side trips or returns home by plane. This has increased the number of tourists staying in Juneau considerably.

The end of the school year at the University of Alaska campuses around the region, as well as the local school districts was a major factor behind the decline in employment in state and local government.

HOURS AND EARNINGS FOR MAY 1980

By Debbie Berggren

Mining experienced a 4 percent decrease in average hourly earnings for May. This decrease was mainly felt by the oil and gas extraction sector.

The food and kindred products sector experienced an 11 percent decrease in average weekly hours, thus contributed greatly to the overall decrease for manufacturing. A decrease in average hourly earnings in the equipment and machinery shops sector influenced the overall decrease in earnings for manufacturing.

Seasonal increases in the food store and gas service station sectors contributed to the increase in hours for retail trade. Hourly earnings for retail trade remained at the same level, however wholesale trade hourly earnings increased by approximately 5 percent.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	AVERAGE HOURLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE WEEKLY EARNINGS		
	p/ 5/80	r/ 4/80	5/79	p/ 5/80	r/ 4/80	5/79	p/ 5/80	r/ 4/80	5/79
MINING	18.91	19.65	16.67	55.4	51.1	48.9	1047.61	1004.12	815.16
CONTRACT CONSTRUCTION	18.69	18.47	18.40	38.1	37.4	43.8	712.09	690.78	805.92
MANUFACTURING	9.98	10.52	8.54	39.6	41.9	52.0	395.21	440.79	444.08
Food & Kindred Products	6.70	6.78	6.19	36.4	40.5	58.5	243.88	274.59	362.12
Lumber & Paper Products	13.28	13.15	12.20	44.7	44.6	43.5	593.62	586.49	530.70
TRANSPORTATION,COMM. & UTILITIES.	12.71	12.94	12.21	39.9	38.0	36.9	507.13	491.72	450.55
TRADE	8.53	8.44	8.01	36.1	34.3	35.3	307.93	289.49	282.75
Wholesale Trade	10.19	9.68	9.35	37.6	37.1	39.1	383.14	359.13	365.59
Retail Trade	7.98	7.98	7.50	35.7	33.3	34.1	284.89	265.73	255.75
FINANCE,INSURANCE & REAL ESTATE..	--	--	--	--	--	--	269.66	279.39	259.17

1/ Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor

2/ excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

LABOR FORCE BY REGION AND CENSUS DIVISION

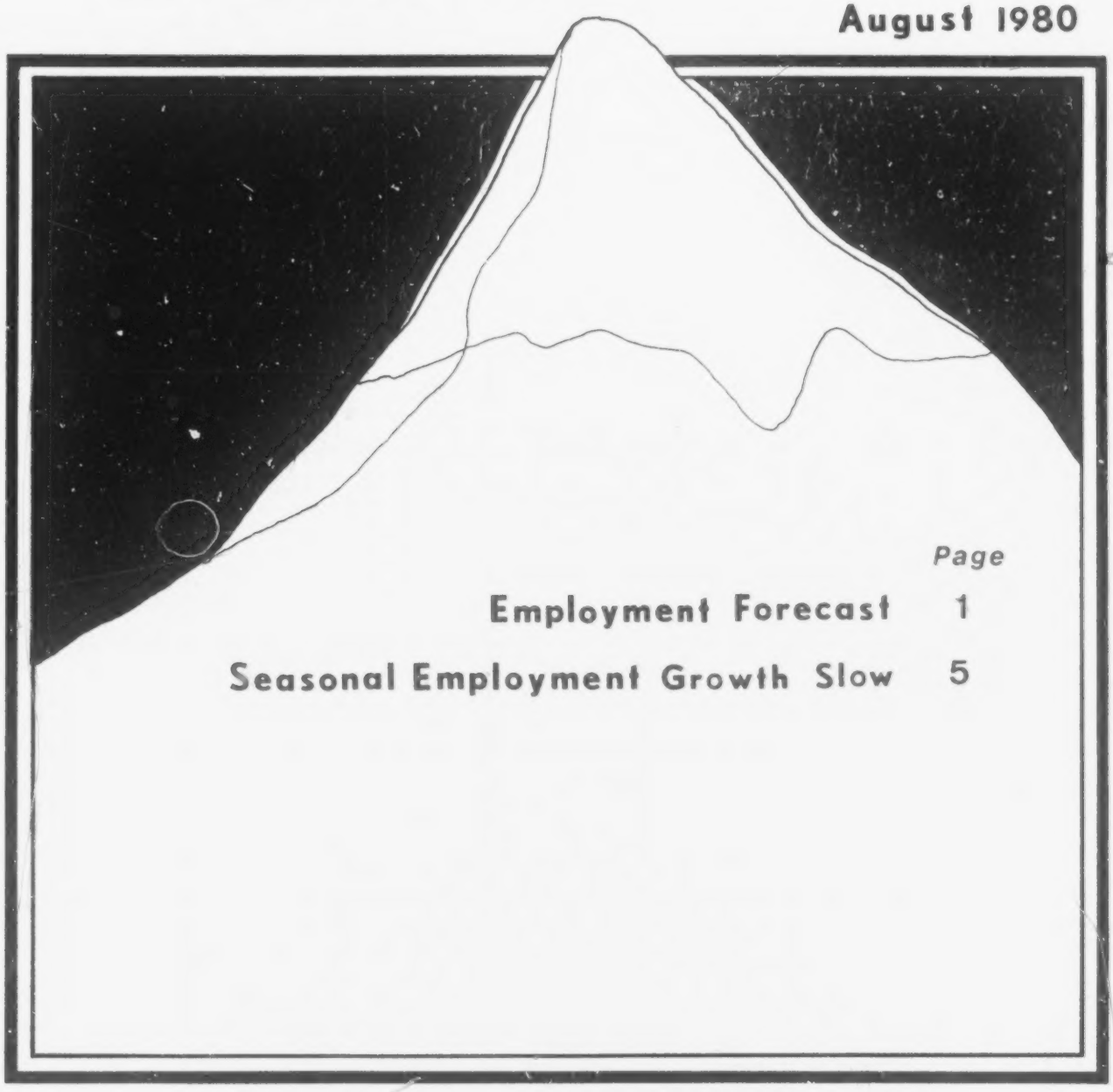
	Labor Force			Unemployment			Rate			Employment		
	p/ 5/80	r/ 4/80	5/79	p/ 5/80	r/ 4/80	5/79	p/ 5/80	r/ 4/80	5/79	p/ 5/80	r/ 4/80	5/79
Alaska Statewide	188767	185290	183494	17774	20279	16301	9.4	10.9	8.9	170993	165011	167193
Anchorage-Matau Region	89423	88438	89122	7353	8026	6886	8.2	9.1	7.7	82070	80412	82236
Anchorage	81790	80730	81726	6011	6482	5794	7.3	8.0	7.1	75779	74248	75932
Matanuska-Susitna	7633	7708	7396	1342	1544	1092	17.6	20.0	14.8	6291	6164	6304
Gulf Coast Region	23708	22197	22242	2617	3262	2205	11.0	14.7	9.9	21091	18935	20037
Cordova	1316	1178	1239	122	106	105	9.3	9.0	8.5	1194	1072	1134
Kenai	12615	11893	11811	1522	1934	1273	12.1	16.3	10.8	11093	9959	10538
Kodiak	5233	4943	4880	458	656	343	8.8	13.3	7.0	4775	4287	4537
Seward	1737	1584	1624	195	200	159	11.2	12.6	9.8	1542	1384	1465
Valdez	2807	2599	2688	320	366	325	11.4	14.1	12.1	2487	2233	2363
Interior Region	25505	25914	25371	3243	4054	3563	12.7	15.6	14.0	22262	21860	21808
Fairbanks	20944	21140	20926	2540	3166	2995	12.2	15.0	14.3	18304	17974	17931
Southeast Fairbanks	1996	2040	1916	248	324	204	12.4	15.9	10.6	1748	1716	1712
Upper Yukon	515	534	460	119	145	72	23.1	27.2	15.7	396	389	388
Yukon-Koyukuk	2150	2200	2069	336	419	292	15.6	19.0	14.1	1814	1781	1777
Northern Region	9010	9048	8783	865	912	634	9.6	10.1	7.2	8145	8136	8149
Barrow-North Slope	3437	3419	3391	187	172	139	5.4	5.0	4.1	3250	3247	3252
Kobuk	2389	2393	2298	314	320	222	13.1	13.4	9.7	2075	2073	2076
Nome	3184	3236	3094	364	420	273	11.4	13.0	8.8	2820	2816	2821
Southeast Region	28968	28331	28580	2459	2758	1939	8.5	9.7	6.8	26509	25575	26641
Angoon	354	353	339	62	71	45	17.5	20.1	13.3	292	282	294
Haines	849	840	832	118	135	97	13.9	16.1	11.7	731	705	735
Juneau	10254	10008	10158	752	840	608	7.3	8.4	6.0	9502	9168	9550
Ketchikan	6643	6444	6582	503	520	411	7.6	8.1	6.2	6140	5924	6171
Outer Ketchikan	1077	1034	1040	102	94	61	9.5	9.1	5.9	975	940	979
Prince of Wales	1395	1356	1386	128	134	113	9.2	9.9	8.2	1267	1222	1273
Sitka	3806	3700	3752	297	315	226	7.8	8.5	6.0	3509	3385	3526
Skagway	1541	1541	1501	177	225	130	11.5	14.6	8.7	1364	1316	1371
Wrangell-Petersburg	3049	3057	2990	320	424	248	10.5	13.9	8.3	2729	2633	2742
Southwest Region	12153	11360	9396	1237	1267	1074	10.2	11.2	11.4	10916	10093	8322
Aleutian Islands	3085	2855	2348	212	199	158	6.9	7.0	6.7	2873	2656	2190
Bethel	4060	3791	3114	469	471	376	11.6	12.4	12.1	3591	3320	2738
Bristol Bay Borough	551	522	414	48	57	31	9.7	10.9	7.5	503	465	383
Bristol Bay	1534	1448	1218	134	153	150	8.7	10.6	12.3	1400	1295	1068
Kuskokwim	1141	1077	925	171	181	186	15.0	16.8	20.1	970	896	739
Wade Hampton	1782	1667	1377	203	206	173	11.4	12.4	12.6	1579	1461	1204

p/=Preliminary r/=Revised 1979 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

ALASKA ECONOMIC TRENDS

August 1980



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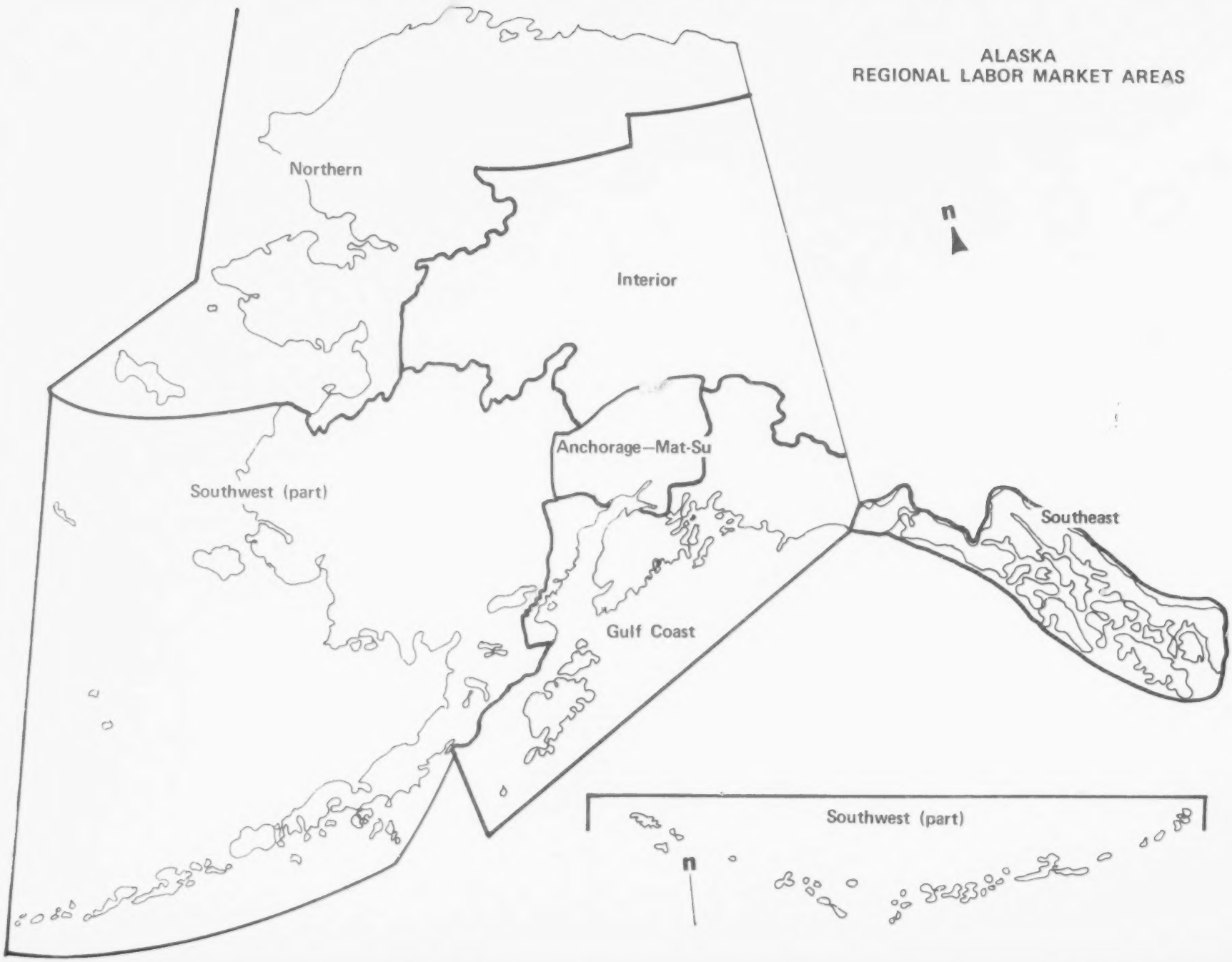
STATE OF ALASKA · DEPARTMENT OF LABOR
RESEARCH AND ANALYSIS SECTION
JAY S. HAMMOND, GOVERNOR


ALASKA
REGIONAL LABOR MARKET AREAS
Northern
Interior
Anchorage—Mat-Su
Southwest (part)
Southeast
Gulf Coast
Southwest (part)

ALASKA ECONOMIC TRENDS

Jay S. Hammond, Governor
State of Alaska

Edmund N. Orbeck, Commissioner
Department of Labor

Jim Souby, Director
Administrative Services

John E. Post, Chief
Research and Analysis

August 1980

Chris Miller, Editor

STATEWIDE

August, 1980

LABMOD FORECASTS TO 1981
INDUSTRY EMPLOYMENT, POPULATION, AND WAGES AND SALARIES

	1979					1980					1981				
	Qtr 1*	Qtr 2*	Qtr 3*	Qtr 4*	Ave.*	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave
Population (July 1) 1/			413,516					417,806					426,801		
Total Nonag. Wages & Salaries ($1,000's)	776,437	866,256	934,945	899,282	869,230	852,970	949,831	1,028,030	1,006,130	959,241	951,972	1,061,480	1,147,570	1,129,610	1,072,660
Average Quarterly Earnings	4,999	5,131	5,320	5,421	5,218	5,331	5,531	5,743	5,850	5,620	5,754	5,961	6,181	6,296	6,055
Total Nonag. Wage & Salary Employment	155,298	168,817	175,732	165,886	166,433	159,987	171,737	179,006	171,992	170,681	165,457	178,071	185,658	179,421	177,152
Mining	5,642	5,903	5,919	5,626	5,773	6,144	6,501	6,866	6,574	6,521	6,691	7,229	7,743	7,456	7,280
Construction	7,461	9,846	12,806	10,253	10,091	7,635	10,531	14,243	11,254	10,916	8,947	12,226	15,787	12,786	12,437
Manufacturing	7,800	13,139	18,821	11,511	12,818	9,779	12,902	15,818	11,680	12,545	10,411	13,531	16,412	12,324	13,170
Transp./Comm./Utilities	15,809	16,726	17,831	16,650	16,704	16,023	17,246	18,367	16,859	17,124	16,190	17,606	18,721	17,280	17,450
Transportation	10,016	11,081	12,098	10,976	11,043	10,237	11,224	12,211	10,844	11,129	10,333	11,498	12,430	11,149	11,353
Communications	4,214	4,224	4,289	4,301	4,257	4,374	4,543	4,619	4,517	4,513	4,397	4,571	4,678	4,556	4,551
Public Utilities	1,379	1,421	1,444	1,373	1,404	1,412	1,479	1,537	1,498	1,482	1,460	1,537	1 613	1,575	1,546
Trade	27,768	29,777	30,636	29,370	29,388	28,960	30,166	31,173	30,574	30,218	29,615	31,105	32,158	31,600	31,120
Wholesale	5,289	5,679	5,735	5,340	5,511	5,316	5,660	5,806	5,599	5,595	5,397	5,738	5,929	5,658	5,681
Retail	22,479	24,098	24,901	24,030	23,877	23,644	24,506	25,367	24,975	24,623	24,218	25,367	26,229	25,942	25,439
Finance/Insurance Real Estate	8,093	8,208	8,021	7,819	8,035	7,923	8,109	8,324	8,057	8,103	7,990	8,258	8,458	8,275	8,245
Services	27,558	28,657	29,807	27,358	28,345	27,744	29,357	30,791	29,049	29,235	28,403	29,705	31,690	30,291	30,022
Government (Civilian)	54,885	55,814	50,916	56,603	54,554	55,275	56,199	52,440	57,330	55,311	56,743	57,649	53,742	58,832	56,742
Federal	17,516	17,816	18,729	17,688	17,937	17,651	18,169	18,844	18,026	18,123	17,740	18,257	18,732	18,114	18,211
State	14,651	15,041	15,059	15,155	14,977	14,938	15,418	15,473	15,746	15,394	15,433	15,913	15,968	16,241	15,889
Local	22,718	22,956	17,128	23,760	21,641	22,686	22,612	18,123	23,558	21,795	23,570	23,479	19,042	24,476	22,642
Miscellaneous	482	747	975	676	720	504	726	984	615	707	467	762	947	578	689

1/ Employment based population estimates.
* Actual employment data.

ANCHORAGE

August, 1980

LABMOD FORECASTS TO 1981
INDUSTRY EMPLOYMENT, POPULATION, AND WAGES AND SALARIES

	1979					1980					1981				
	Qtr 1*	Qtr 2*	Qtr 3*	Qtr.4*	Ave.*	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Ave
Population (July 1) 1/			194,532					198,736					204,890		
Total Nonag. Wages & Salaries ($1,000's)	377,313	401,437	422,076	425,029	406,464	417,806	450,788	472,432	474,585	453,903	472,375	510,624	534,620	527,392	513,803
Average Quarterly Earnings	5,063	5,167	5,330	5,407	5,242	5,558	5,676	5,796	5,919	5,740	6,044	6,173	6,303	6,437	6,242
Total Nonag. Wage & Salary Employment	74,519	77,687	79,189	78,609	77,501	75,172	79,420	81,510	80,180	79,071	78,156	82,719	84,820	83,516	82,301
Mining	1,840	1,867	2,172	2,055	1,984	1,990	2,086	2,206	2,110	2,098	2,149	2,442	2,496	2,401	2,372
Construction	4,471	5,662	7,117	5,690	5,735	4,589	5,959	7,391	6,203	6,036	5,075	6,503	7,932	6,941	6,613
Manufacturing	1,393	1,709	2,124	1,714	1,735	1,422	1,811	2,277	1,835	1,836	1,637	1,876	2,363	1,934	1,953
Transp./Comm./Utilities	7,587	8,025	8,412	8,117	8,035	7,449	8,029	8,583	7,978	8,010	7,638	8,361	8,977	8,221	8,299
Transportation	5,432	5,870	6,168	5,900	5,842	5,379	5,865	6,295	5,759	5,825	5,488	6,106	6,601	5,921	6,029
Communications	1,584	1,563	1,603	1,631	1,595	1,519	1,563	1,630	1,585	1,574	1,541	1,607	1,691	1,640	1,620
Public Utilities	571	592	641	586	598	551	601	660	635	612	609	648	685	660	651
Trade	16,536	17,218	17,310	17,100	17,041	17,229	17,766	18,189	18,299	17,871	18,215	18,648	18,864	19,039	18,697
Wholesale	3,946	4,061	4,081	3,958	4,012	3,838	4,033	4,116	4,032	4,005	3,921	4,144	4,255	4,135	4,114
Retail	12,590	13,157	13,229	13,142	13,030	13,391	13,733	14,072	14,267	13,866	14,294	14,504	14,609	14,924	14,583
Finance/Insurance/Real Estate	4,900	4,910	4,861	4,904	4,894	4,668	4,919	5,071	4,938	4,899	4,836	5,052	5,313	5,226	5,107
Services	15,288	15,129	15,664	15,141	15,306	15,186	15,565	16,196	16,069	15,754	15,691	16,322	16,826	16,700	16,385
Government (Civilian)	22,083	22,510	20,782	23,266	22,160	22,199	22,777	20,885	22,426	22,072	22,511	23,043	21,375	22,748	22,419
Federal	9,672	9,633	9,993	9,733	9,758	9,550	9,828	10,018	9,730	9,782	9,625	9,904	10,092	9,804	9,856
State	4,725	4,700	4,844	4,913	4,746	4,807	4,880	4,956	5,007	4,913	4,889	4,962	5,038	5,089	4,995
Local	7,686	8,177	6,145	8,620	7,657	7,842	8,069	5,911	7,689	7,378	7,997	8,177	6,245	7,855	7,569
Miscellaneous	421	657	746	622	612	440	508	710	322	495	404	472	674	286	459

1/ Employment based population estimates.
* Actual employment data.

NOTE: These forecasts are the product of econometric research. As such they are not directly comparable to employment estimates found elsewhere in this publication.

EMPLOYMENT FORECAST

by Jeff Hadland

Employment growth in Alaska during the forecast period will be most greatly impacted by government legislation and appropriations. Significant investment in capital projects by all levels of government should help to increase the demand for labor, especially for construction workers. High costs and slack demand have both lead to a drastic drop in residential and non-residential building construction. State and local appropriations should help to alleviate the construction downturn, although the exact timing of that impact is uncertain. Normal start-up delays will push many capital projects into the 1981 and 1982 construction season.

State government spending for fiscal year 1981 promises to have a stimulative effect on all sectors of the economy. The fulfillment of the state's obligation under the Alaska Native Claims Settlement Act ($293 million), Alaska Housing Finance Corp. loan package ($500 million), a major capital improvements program, probable reduction or elimination of the state income tax ($90 million in refunds), and the possible distribution of permanent fund earnings ($128.5 million) are all in addition to a general increase in state operating expenditures that add approximately 850 new jobs. In addition, tax relief would pump over $100 million in after federal tax disposable income into the economy. This influx of monies for both construction and private discretionary spending should have a significant and pervasive influence during the forecast period. Of course the amount of leakage of money outside the state economy and the way the money is spent will have a great bearing on the amount of employment generated. Certain areas of the economy generate more jobs from the same amount of money. For example the spending of these funds on construction would result in more employment gains than if spent for travel or consumer goods.

The Alaska lands issue may also be resolved during the forecast period. With the elimination of some of the uncertainty surrounding available land use choices exploration investment should be positively affected. But continuation of current uses may be threatened, with the timber industry an area of particular concern. Reductions of the annual allowable cut may result in reduced timber employment.

Our current employment projections suggest an annual employment growth rate of 3 percent over the next year. The current employment statistics survey (CES) tend to confirm this even though the Anchorage-MatSu Region has experienced no significant employment changes from last year. The projection for next year may even be conservative considering the unusual government expenditures and prospects for preliminary work on the proposed gas line, neither of which are considered in our base case or normal development forecast.

The Anchorage housing market is currently experiencing a vacancy rate of approximately 16 percent, the first time that rate has been below 20 percent since December of 1978. During the first six months of 1980 only 385 housing permits have been issued, most of these as single family residences. This 60 percent drop in building construction has probably been the contributing factor in the vacancy rate decline. Healthy employment gains following the current plateau should help to fill vacant housing units quickly.

MANUFACTURING

An area of particular interest and concern has been the Bristol Bay fishery which had been involved in a potentially disastrous strike by fishermen. The Brisol Bay harvest was expected to account for some 40 percent of the total salmon harvest, according to the Alaska Dept. of Fish and Game. A price agreement between fishermen and processors was reached during the

first few days of July. The sockeye salmon price for 1980 was set at 57¢ compared with last years price of 80¢ - $1.25. It is now believed that the total catch will be approximately 22 million fish, down from last year's harvest of 32 million fish. The anticipated catch for 1980 had been 37 million fish. The reduced catch is expected to improve the world salmon price picture, with next year's fishermen and this year's processors expected to benefit. The employment impact of the reduced catch is not certain at this time but there will be reduced incomes from last season.

The seafood processing component of the manufacturing industry is expected to exhibit healthy growth over the next two years. New investment by native corporations, particularly Sealaska, will help to modernize and expand the industry. Sealaska's leasing and proposed purchase of the bankrupt New England Fish Co. properties is part of a long term interest in attaining an import position in the west coast fishery.

The forest products industry is expected to grow at a very conservative pace over the next several years. This growth is predicated on maintenance of annual allowable cut levels. Long term growth will have to come from lands transferred to private ownership. Native corporations will be able to supply at least 100 MBF but most of this is earmarked for round log export leaving pulpmill requirements in doubt. Pulp and paper markets appear to be strong but lumber markets are exhibiting slack demand in the U.S. and Japan. Alaska Lumber and Pulp has shortened its work week at its Wrangell mill in response to the reduced Japanese requirements.

TOURISM

A general downturn in the U.S. economy and a dramatic increase in travel costs have lead travel industry experts to forecast more conservative growth in this area over the next few years. The anticipated number of tourists traveling to Alaska this year is 550,000 with 600,000 expected next year. This 10 percent expected increase compares with an estimated historical growth rate of 15 percent. Total expenditures by out of state visitors will total approximately $215 million (with as many as 17,000 people employed this summer as a direct result).

An aggressive advertising campaign for 1980-81 is being financed by the state and private industry. The advertisements and direct mailings will cost approximately $2.6 million with the goal of increasing that small part of the total market willing and able to spend discretionary income on a relatively expensive Alaska vacation.

Because tourism provides employment in transportation, trade and service sectors while having relatively little demand on state services growth in this area is believed to be in the state's interest.

Current employment statistics show a leveling off of hotel, transportation and restaurant employment reinforcing predictions of reduced growth rate in tourist market.

MINERAL/PETROLEUM

The approval by the Canadian government of construction of southern segments of the natural gas pipeline makes undertaking of the Alaskan segment of the line probable. Although final approval of the Alaska Northwest Natural Gas Co's $7.9 billion project by the Federal Energy Regulatory Commission (FERC) is not expected for some time, both the U.S. House and Senate have approved the project and President Carter has expressed assurances of construction to the Canadians. Pipeline employment impact will be significant with peak direct

employment at 6,000 to 7,000 workers. Field projects are currently underway with preparation expected to continue through 1983 and two thirds of pipeline work to take place in 1984 under one scenario. The employment impact of the pipeline project will be considered in detail when more information is available.

The Beaufort Sea oil leases have been upheld by the courts and delivered but exploratory work cannot begin without United States Geological Survey approval. Much preparatory work is required before any drilling can begin including the construction of gravel islands to be used for drilling platforms.

Several major energy and chemical companies have submitted proposals for conducting a feasability study for a gas liquids based petrochemical industry. The proposals generally call for a 16" to 18" gas liquids line from Prudhoe Bay south to tidewater and a petrochemical plant which would employ 900 permanent workers under the Dow Chemical Co. proposal and 1200 permanent workers under the Alaskan Arctic Resources Group proposal. The Construction phase would require approximately 5000 man/years of labor with several thousand indirect jobs created as well.

Of major concern is the acquisition of the gas liquids from the Prudhoe Bay producers and a decision prior to construction of the natural gas pipeline since the two projects must be compatible.

Alpetco has reached agreement with the city of Valdez for construction of a $1.5 billion petroleum complex which is expected to employ 800 full time workers. Alpetco is currently receiving 75,000 barrels per day of state royalty which will be the fuel for the petrochemical plant which is to be in operation by 1986. Controversy has surrounded the project ever since the "world scale" status, as described in the original contract, was diminished. The state has reduced the amount of oil sold to Alpetco from the orginally scheduled 150,000 barrels per day.

Current base case projections suggest an annual employment increase rate of approximately 11 percent in the mining industry. The employment projections may very well be conservative in light of recent activity, especially over the longer terms. It must be kept in mind that we are building upon a relatively small labor base of approximately 6000 mining industry workers. Any large scale project could make for large percentage increases. In addition mining and petroleum development are capital intensive industries. Relatively few workers are utilized in the operation of most petroleum projects.

CONSTRUCTION

Construction employment is currently inhibited by the housing slump. Building construction, approximately 25 percent of total construction, is down 25 percent from last year, while overall construction employment is experiencing very modest gains. Subsidization of home mortgage interest rates should help to make housing accessible to more people causing an increase in units demanded.

Several major construction projects and programs are expected to start up this year and next. A $44.5 million computerized terminal facility in Valdez will be worked on through 1982. Chugach Electric has a $67 million electrical transmission system to be constructed. Anchorage is planning a $65 million sports and performing arts complex as part of their Project 80's program. In addition several major hydroelectric systems are being worked on, such as Swan Lake, in Ketchikan, a $120 million project. The state is also spending money for major highway and school projects throughout the state. All of these should help to increase employment in the heavy construction component of the construction industry.

SUMMARY

Overall employment should increase at the rate of 3 percent per year during the forecast period to some 185,000 workers during the 3rd quarter of 1981. Our basic projection still appears valid for the coming year. No employment declines are expected for the major industries we have forecasted. Over the two year period employment growth in mining will increase at the fastest pace with construction employment following close behind.

The expectation of large oil revenues over then next several years and major natural resource development suggests that massive amounts of capital will be flowing through the state economy. The economic activity generated will put pressure on both business and government. The current period of slow growth should be viewed as a breathing spell from which renewed activity will be forthcoming.

ALASKA'S LABOR FORCE IN JUNE

by Chris Miller

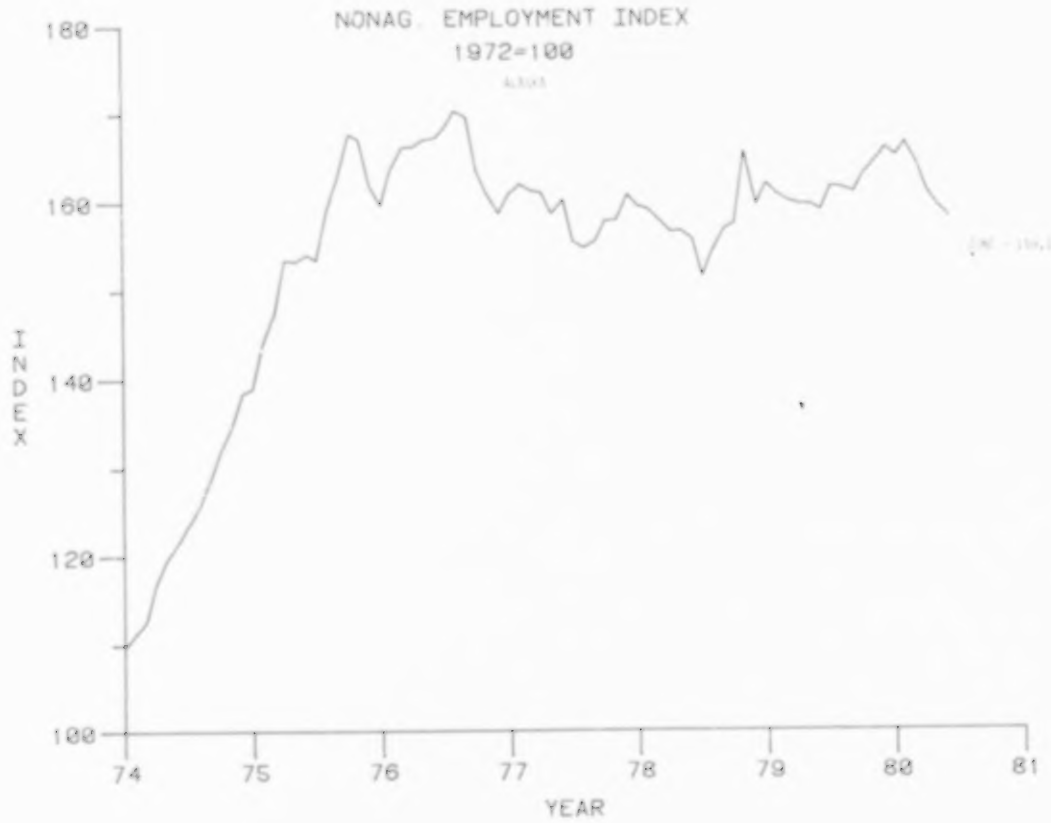
Total nonagricultural wage and salary employment increased by 4500 workers from May to June. This growth however, was below the normal seasonal movement, as the seasonally adjusted nonagricultural wage and salary employment index dropped from 159.4 in May to 158.3 in June. A major factor behind the decline in the nonagricultural employment index was a strike by salmon and shrimp fishermen, which was in progress during most of the month of June. This hindered seasonal employment growth in the seafood processing industry, particularly in the Gulf Coast region. Because of these strikes, Kodiak's unemployment rate was almost double last year's rate.

The Bristol Bay area, which has become famous for its large salmon runs, was not seriously affected by the strike as that area's salmon run does not begin until early July.

Construction employment increased approximately twelve percent during June. That is about the normal increase in employment for this time of year; however, the total number of employed continues to remain below year ago levels.

The rest of the economy also experienced what could be called approximately normal seasonal expansion.

The transportation industry in most areas experienced growth over the month. Statewide, the transportation industry increased approximately 3 percent. Seasonal expan-



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

	6-80 p/	5-80 r/	6-79	Changes From: 5-80	Changes From: 6-79
Nonagricultural Wage & Salary.....	173,700	169,200	174,400	4,500	-700
Mining.....	6,400	6,300	6,100	100	300
Construction.....	10,500	9,400	11,300	1,100	-800
Manufacturing.....	15,500	13,500	15,100	2,000	400
Food & Kindred Products.....	8,600	6,900	8,700	1,700	-100
Lumber & Paper Products.....	4,200	4,100	3,700	100	500
All Other Manufacturing.....	2,700	2,500	2,700	200	0
Transp.-Comm. & Utilities.....	17,800	17,200	17,700	600	100
Trucking & Warehousing.....	2,100	1,900	2,200	200	-100
Water Transportation.....	1,600	1,300	1,500	300	100
Air Transportation.....	5,300	5,300	5,400	0	-100
Other Transp.-Comm. & Utilities..	8,800	8,700	8,600	100	200
Trade.....	30,000	29,200	30,700	800	-700
Wholesale Trade.....	5,600	5,400	5,800	200	-200
Retail Trade.....	24,400	23,800	24,900	600	-500
General Merchandise & Apparel..	4,200	4,000	4,200	200	0
Food Stores.....	3,800	3,700	3,800	100	0
Eating & Drinking Places.....	8,100	7,900	8,600	200	-500
Other Retail Trade.....	8,300	8,200	8,300	100	0
Finance-Insurance & Real Estate....	8,400	8,300	8,800	100	-400
Services & Miscellaneous.....	30,900	30,100	30,600	800	300
Government 2/.....	54,200	55,200	54,100	-1,000	100
Federal.....	18,000	17,900	18,000	100	0
State.....	15,500	14,800	15,200	700	300
Local.....	20,700	22,500	20,900	-1,800	-200

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

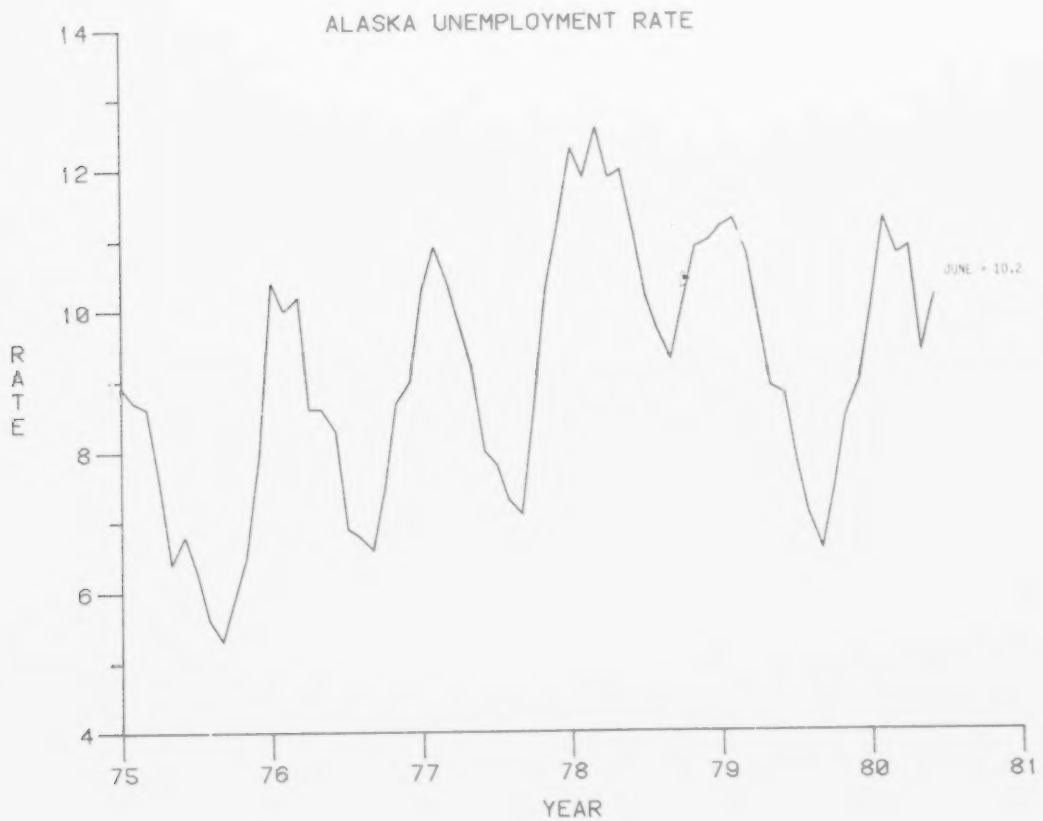
sion in the various regions ranged from 1.2 percent in the Interior to 6 percent in Southeastern.

Though the trade industry did experience about normal seasonal expansion during June, employment continues to remain below year ago levels, In June, employment was 2 percent below last year. Most of this decline is localized in the Interior region with some additional loss of employment in the Gulf Coast region. The declines in the Interior region are spread throughout the industry and reflect the generally slow economy in that area. The drop in employment in the Gulf Coast was primarily in the wholesale industry. The wholesale industry in the Gulf Coast is mostly composed of seafood firms which would have been effected by the recent fishermen's strike.

The finance industry continues to remain below year ago levels. Employment in June was about 5 percent below that of last year. Recent easing of interest rates may improve this situation in the future, but a rapid improvement is not expected.

As of June, the service industry was the only industry to experience growth over the month and over the year in all regions of the state. Around the state, seasonal expansion was about average for this time of year. At the state level, growth compared to last year was marginal, primarily due to the lack of any significant growth in the Anchorage-MatSu region.

The only significant change in government emloyment levels occured in the local sector. May and June are the usual months for school districts around the state to end the school year. The decline in employment reflects the lay off of nonprofessional staff for the summer.



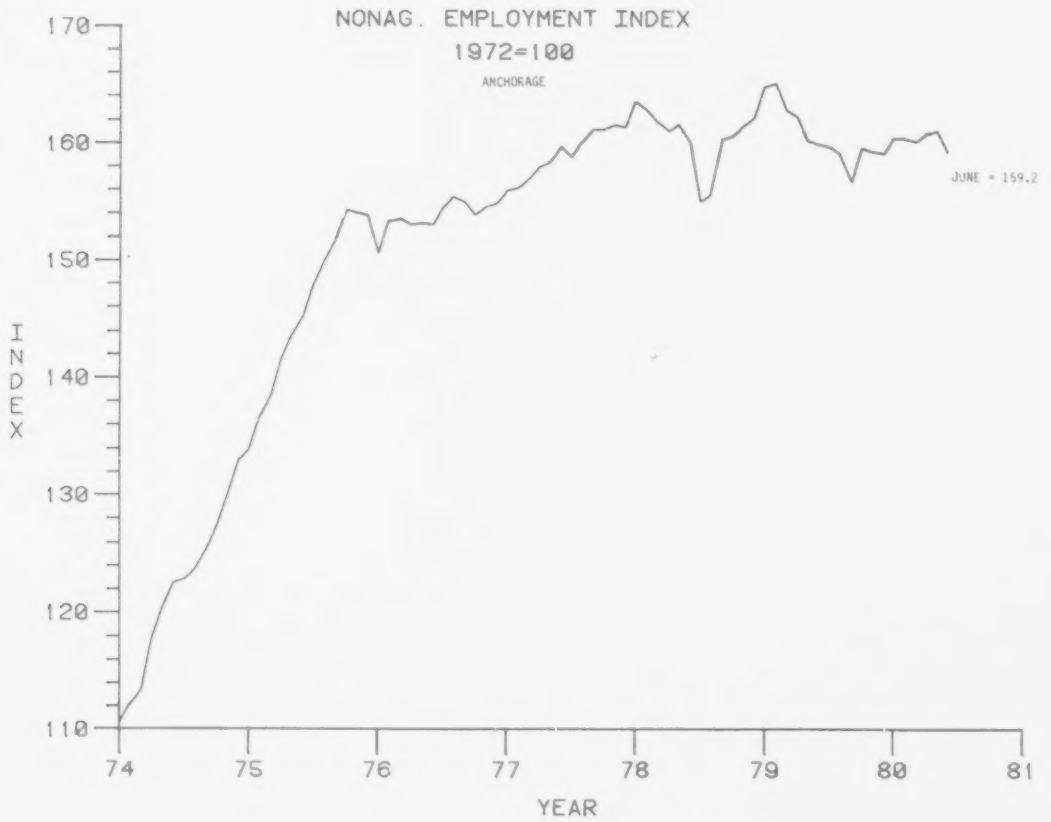
ANCHORAGE'S LABOR FORCE IN JUNE

by Cal Dauel

The unemployment rate rose slightly this month, registering at 7.7 percent. It also remains slightly above last year's rate. It is not uncommon for the rate to move upward in June for the reason that there are a large number of re-entrants and new entrants (students, graduates) in the labor market. This simply means the number seeking work in June grew more quickly than the number of new seasonal jobs. Next month the rate should show the normal seasonal decline.

However, the rate does indicate Anchorage's continued sluggish economy. At the end of May, the U.S. Department of Labor declared Anchorage a Labor Surplus area. As a result Anchorage firms will have preference when bidding on federal contracts. The reason for declaring an area as "labor surplus" is to attempt to channel more federal dollars into a community with high unemployment. A labor surplus area is defined as an area where the average unemployment rate for the previous two calendar years is 1.2 times the nations's average for the same period (January 1979- December 1979).

In real terms this means any area whose unemployment rate is above 7.2 percent automatically falls into the catagory of a labor surplus area. Anchorage just squeaks by with an average unemployment rate of 7.6 percent for those two years. This makes Anchorage the 27th of 29 census divisions in Alaska to join in the ranks of labor surplus areas. According to the Anchorage GSA office, this should help local contractors compete with outside contractors



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE

	p/ 6-80	r/ 5-80	6-79	Changes From: 5-80	6-79
Nonagricultural Wage & Salary.....	79,450	77,900	79,650	1,550	-200
Mining.....	2,450	2,300	2,050	150	400
Construction.....	5,600	5,300	6,300	300	-700
Manufacturing.....	1,750	1,550	1,950	200	-200
Food & Kindred Products.....	550	400	600	150	- 50
Other Manufacturing.....	1,200	1,150	1,350	50	-150
Transp.-Comm. & Utilities.....	8,800	8,400	8,300	400	500
Trucking & Warehousing.....	1,150	1,050	1,300	100	-150
Water Transportation.....	400	350	400	150	0
Air Transportation.....	3,400	3,350	3,150	50	250
Other Transp.-Comm. & Utilities..	3,850	3,650	3,450	200	400
Trade.....	17,450	17,150	17,300	300	150
Wholesale Trade.....	4,050	4,000	4,150	50	-150
Retail Trade.....	13,400	13,150	13,150	250	250
General Merchandise & Apparel..	1,800	1,750	1,650	50	150
Food Stores.....	1,850	1,800	1,550	50	300
Eating & Drinking Places.....	4,650	4,550	4,800	100	-150
Other Retail Trade.....	5,100	5,050	5,150	50	- 50
Finance-Insurance & Real Estate....	5,200	5,150	5,400	50	-200
Services & Miscellaneous.....	16,100	16,050	15,800	50	300
Government 2/.....	22,100	22,000	22,550	-100	-450
Federal.....	9,600	9,500	9,750	100	-150
State.....	4,850	4,800	4,700	50	150
Local.....	7,650	7,700	8,100	- 50	-450

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

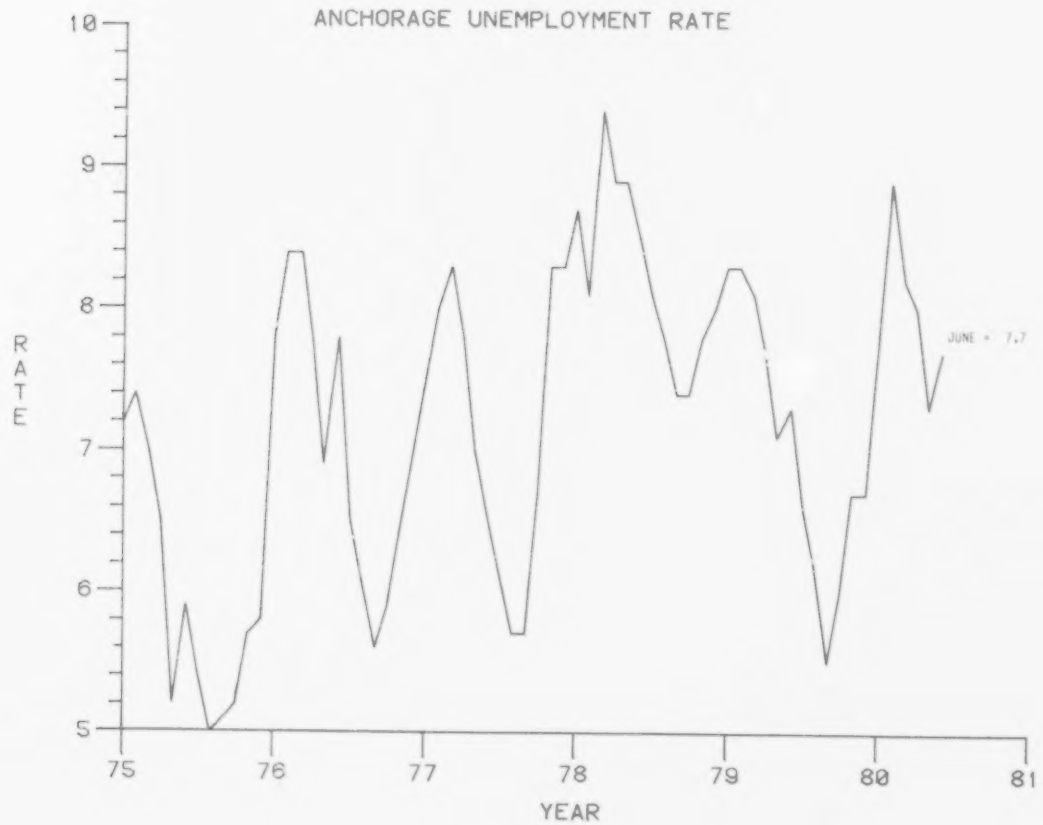
r/ Denotes revised estimates.

who now supply many of the federal government needs in Anchorage.

Anchorage's level of wage and salary employment in June came in below last year's levels for this same period, continuing the see-sawing, with one month being above the previous years level and the next below that level. Wage and salary employment grew by 1450 this month, which is below last month's growth. However, compared with previous years it can be considered average.

Construction, normally the industry that is responsible for the greatest gain, scarcely moved upward--actually it was the smallest increase this decade for June. This is mainly due to the large decline in the building construction sector this season which is almost 30 percent below last year's levels. The often discussed drop off of residential construction continues to be a major contributor to this decline. With mid-year figures out, the number of building permits have dropped from 965 in 1979 (also as poor year) to 385 for the same period in 1980. The only construction sector that is holding its own is heavy construction because highway construction is experiencing a good year. Building construction will not see any significant growth until the 1981 construction season when some of the Project 80's construction gets underway.

Manufacturing employment grew in June, with most of the growth coming from additional fish processing employment. The fish strikes and other problems this year may have put a damper on fish processing employment, but Anchorage's employment levels are almost equal to last year's levels. The big boost will come in July, when the large Bristol Bay and the smaller Cook Inlet fisheries are harvested. Transportation, in particular trucking, also improved this month because of additional highway construction and heightened activity on the North Slope and some delivery of fish. All other industries employment increased in a modest manner and possibly next month may experience some more rigorous seasonal growth.



ANCHORAGE MAT-SU LABOR FORCE IN JUNE

by Cal Dauel

The unemployment rate in the Anchorage MatSu region increased in June as the the number of people seeking work grew more rapidly than new employment. During this same month, the Alaska Legislature put its finishing touches on legislation which will affect the economy and employment for a number of years. This, of course is in reference to the record appropriations passed in the form of the capital budget House Bill 60, bond issues and other appropriation bills. The capital budget and HB60 contain approximately $208 million to be spent in this region. The 1981 capital budget alone, is approximately 50 percent above the budget for FY 1980; and HB60, the bill that attempted to fulfill the shopping lists from around the State, had no comparative counterpart last year. In the latter bill, 126 million alone was slated for various construction projects. Approximately 23 million of the money was allocated to the MatSu Borough and the balance to Anchorage. This comes at a time in the Valley when $29 million worth of school construction over the past 3 years is winding down. This means that these appropriations are unlikely to raise economic activity above past years levels, but that they will act more as a stabilizing influence.

The variety and value of the approximately 200 projects involved are immense. For example, in MatSu, $5 million was appro-

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE-MATSU

	p/ 6/80	r/ 5/80	6/79	Changes From: 5/80	6/79
Nonagricultural Wage & Salary.....	82,350	81,050	82,900	1,300	550
Mining.....	2,450	2,300	2,050	150	400
Construction.....	5,800	5,500	6,550	300	-750
Manufacturing.....	1,800	1,600	2,000	200	-200
Transp.-Comm. & Utilities.....	9,200	8,850	8,600	350	600
Trade.....	18,100	17,900	18,100	300	0
Finance-Insurance & Real Estate....	5,300	5,250	5,550	50	-250
Services & Miscellaneous.....	16,450	16,400	16,250	50	200
Government 2/.....	23,250	23,250	23,800	0	-550

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merril Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March

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priated for the McKenzie agricultural project (the appropriation was not part of HB60 or the Capital budget, but a separate bill). The intent is to assist in establishing 33 farms of 120-650 acres each, with an emphasis in dairying. On the other hand $25 million was allocated for a Sports Center in Anchorage which is part of the project 80's plans. Some of the other larger projects are an additional $42 million for Project 80's which includes a Civic Center, F Street Mall, Performing Arts Center and beautification. In the Valley, 3 million is allocated for the McKenzie Road and approximately an equal amount was allocated for a feasibility study for the Susitna dam. A talley of the projects of $1 million and more add up to 21 projects in the 1-2 million dollar range, 14 in the 2-5 million dollar range and 8 in excess of 5 million dollars. A large number of these involved road construction. Some of the smaller projects range from lights on Big Lake and bike paths in Wasilia to a fire engine for Indian - Bird Creek and funds for a Task Force on Smoking and Health. One of the projects in the medium range and of particular interest, which is expected to get underway this year, is the administering of the funds the MatSu Borough received for disaster relief. These funds were made available to help recoup some of the costs incurred as a result of the wind damage in December and February and some flood damage when Willow Creek flooded over. The funds are specifically targeted to boost employment in the MatSu's depressed labor market. Somewhat less than 50 percent of the 1.5 million allocated will fund 65 positions of various types. This includes 15 fulltime jobs, 30 part-time and 20 jobs for youths. Some of these positions are expected to be used for a proposed transit system connecting the Valley with Anchorage, some will pickup positions where CETA funds are running out, others will be administrative positions with the MatSu Borough and others positions have not yet been fully defined. The Borough is attempting to get this program off the ground as soon as the administrative procedures are drawn up.

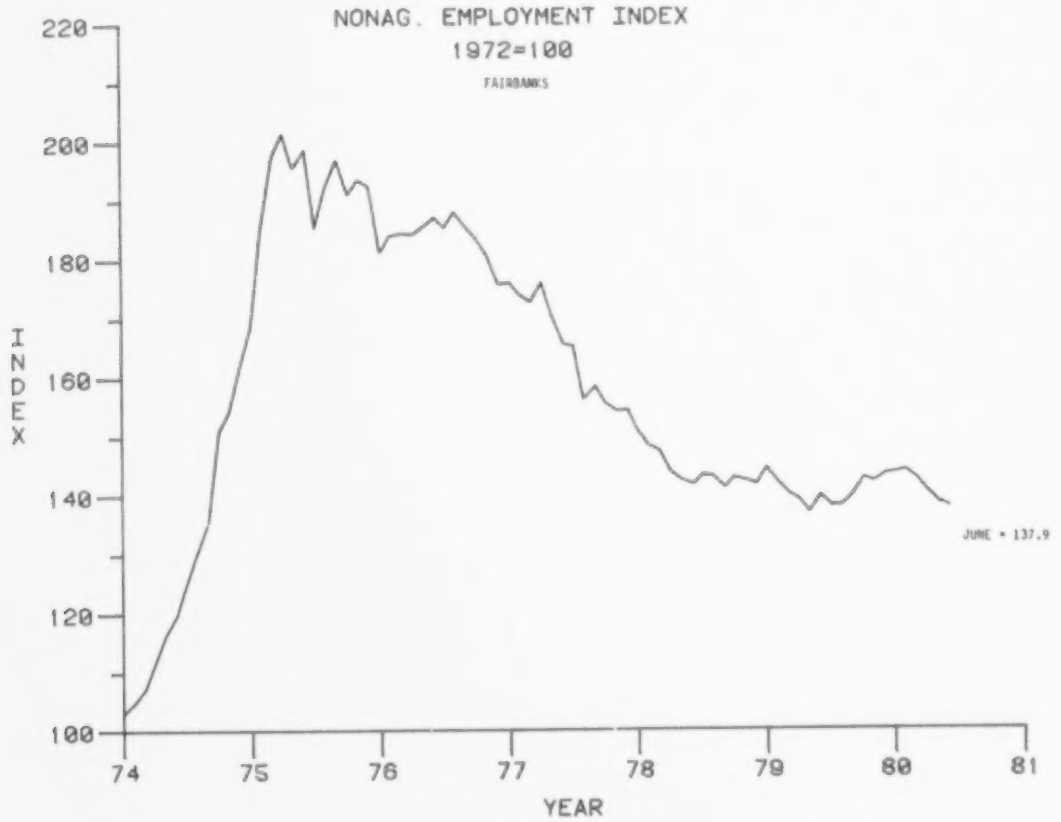
Unlike this program, most of the programs are not expected to commence this year. This is especially true for the construction projects, which must go through the administrative planning and design stage before ground is broken. Therefore these monies are not expected to put much of a dent in the economy in the Anchorage MatSu region until next year. Next year's construction season should prove to be busy, particularily in Anchorage.

FAIRBANKS' LABOR FORCE IN JUNE

by Neal Fried

As in most areas of the State, Fairbanks' unemployment rose in June, to 13.6 percent. This should not be interpreted as a sign of a worsening economy, for it is almost entirely a seasonal aberation, since the rate is not seasonally adjusted. Employment did rise but not as rapidly as the number of re-entrants and new entrants into the labor force. This is a common phenomenon in June, when students are out of school, others who have not been working during the winter begin looking for work and people from other areas of the State and Country begin to arrive in Fairbanks looking for work. This causes a temporary surge in the ranks of what are defined as "unemployed". During the past ten years in June this has happened almost 50 percent of the time, whether in years of rapid economic growth, stability and those of decline. This does not alter the fact that Fairbanks' rate continues to be one of the highest in the State and is far above the national average.

Wage and salary employment grew by approximately 650 in June which can be considered an average increase for this month. A little less than half of this came from new construction jobs. Construction employment continues to be below last year's level. Only highway construction has experienced some growth. Building and special trades construction have dropped below last year's levels because a large number of sizable projects were completed or were near completion last year. For example: the First National Bank Building, the University Museum, the Airport Post Office Annex, and Fred Meyers were completed last year. This



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

	p/ 6-80	r/ 5-80	6-79	Changes From: 5-80	6-79
Nonagricultural Wage & Salary.....	21,600	21,050	21,900	550	-300
Mining.....	50	50	50	0	0
Construction.....	1,600	1,300	1,900	300	-300
Manufacturing.....	550	550	550	0	0
Transp.-Comm. & Utilities.....	2,750	2,750	2,800	0	0
Trucking & Warehousing.....	450	400	400	50	0
Air Transportation.....	700	700	850	0	-150
Other Transp.-Comm. & Utilities..	1,600	1,650	1,550	- 50	50
Trade.....	3,800	3,700	3,900	100	-100
Wholesale Trade.....	650	650	700	0	- 50
Retail Trade.....	3,150	3,050	3,200	100	- 50
General Merchandise & Apparel..	450	450	400	0	50
Food Stores.....	550	550	500	0	50
Other Retail Trade.....	2,150	2,050	2,300	100	-150
Finance-Insurance & Real Estate....	800	800	900	0	-100
Services & Miscellaneous.....	4,900	4,550	4,450	350	450
Government 2/.....	7,150	7,350	7,350	-200	-200
Federal.....	2,100	2,100	2,250	0	-150
State.....	3,050	3,000	2,850	50	200
Local.....	2,000	2,250	2,250	-250	-250

1/ Data contained in this report covers the Fairbanks Census Division.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark data March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

year's building projects, such as the University of Alaska's Power Plant expansion and work on the North Pole Refinery, have helped to off-set this, but not entirely.

Transportation employment did rise this month as the trucking sector has been receiving some additional stimulus from heightened activity on the North Slope and activity on local road projects. Overall, transportation employment is about even with last year's levels. Trade employment grew by approximately 90 this month, with much of the growth coming from the eating and drinking sector, which receives a boost each summer season from the tourist traffic and overall seasonal increase in economic activity. Finance, Insurance and Real estate employment remained steady in June, but, compared with last year's levels, it continues to show some decline.

Because of the continued sluggish real estate and residential construction market, this industry has been receiving little or no additional stimulus. According to statistics collected by the Fairbanks Community Information Center, bank deposits are down 15 percent (comparing last quarter 1979 and first quarter 1980) and total loans are down 9% for the same period. Not until these areas begin to move again will the industry experience much growth. The industry is not likely to decline much further and will soon be adding an additional member to its community--the new Frontier Savings and Loans Association. According to Harvey Mulin, Treasurer and a member of the board, they expect to open up in September or October 1980. This new Savings and Loan expects to have a starting capital of 1.95 million dollars and as Savings and Loan will concentrate in home lending and real estate. When its doors open, they expect to have a staff of 7-8 people.

INTERIOR'S LABOR FORCE IN JUNE

by Neal Fried

The Interior's labor force continued to expand in June. The traditionally seasonal industries caused most of this expansion. Construction and the service industries were responsible for the lions share of the growth as construction projects got into full swing and tourists began to flow through many of the Interior's towns and villages. In addition a historically traditional industry also began making some inroads into the employment situation in the Interior for the first time in many years--gold mining.

In 1963, when the last dredge closed down in Fairbanks, employment in this industry went into a steep decline and became one of the smallest employers in the Interior. During the past 2-3 years, however, mining activity has begun to revive in the Interior and employment in this area has grown dramatically over the past two years. This, of course, has been caused by the rising price of gold ($652.00/oz when this article was written) along with the fact that with the completion of the pipeline, a large number of individuals and contractors were left idle or were operating at very reduced levels; many had excess heavy equipment available, making the gold business look attractive.

According to wage and salary employment statistics, 1979 gold mining employment was double the 1978 levels. This year's June mining employment is 32 percent above 1979 levels, which puts mining employment at 200. This is still less than half the number employed in 1959. The wage and salary statistics, however, do not tell the whole story since they only record those miners who are on a payroll. A very large number of today's miners are not included in this tally. This is especially true today be-

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
INTERIOR

	p/ 6/80	r/ 5/80	6/79	Changes From: 5/80	6/79
Nonagricultural Wage & Salary.....	25,750	25,150	26,350	600	-600
Mining.....	200	200	150	0	50
Construction.....	1,900	1,550	2,000	350	100
Manufacturing.....	800	700	650	100	150
Transp.-Comm. & Utilities.....	3,700	3,650	3,750	50	- 50
Trade.....	4,000	3,900	4,400	100	-400
Finance-Insurance & Real Estate....	900	900	950	0	- 50
Services & Miscellaneous.....	5,300	4,950	4,950	350	350
Government 2/.....	8,950	9,300	9,500	-350	-500

1/ Data contained in this report covers the Upper Yukon census division, the Yukon-Koyukuk census division, the Southeast Fairbanks census division and the Fairbanks census division.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

cause most of the present operations consist of only a few individuals (average is 4) who are working for themselves, are partners, or are being paid by methods other than the normal payroll route, such as a certain percentage of the cleanup. According to a very rough estimate made by the Alaska Geological and Geophysical Survey, 500 miners are working the Central district and 200 the Forty Mile District. Others are working in the Koyukuk Country, a small number in Ester, on tributaries of the Salcha and Chatanika, in the Ruby--Rampart area and in a number of other locations in the Interior. Almost all of the operations are placer. These type of mining operations are extremely seasonal and the numbers will almost completely drop off during the winter months. When some of the larger operations were working in the past, thawing and stripping of over burden took place during the winter months. This was also a common practice among smaller mining operations also. Today, because heavy equipment can be used and traveling elsewhere for employment or vacation in the winter is much easier, this is very seldom done. Prospecting during the winter, though, continues to be a common practice.

Some large mining outfits may return to the Interior in the future. Asamera Mineral Company, now operating in Livengood is planning to expand by building a multi-million dollar shop and 200 employee capacity camp. This company also plans to strip off over burden during the winter season. Gold mining continues to remain one of the Interior's smallest employers, but it is likely to grow as long as gold prices remain high.

SOUTHEAST ALASKA'S LABOR FORCE IN JUNE

by Chris Miller

Southeast Alaska's unemployment rate remained relatively unchanged from May to June. The region's unemployment rate now stands at 8.7 percent compared to 8.5 percent in May and 7.5 percent last year.

Prince of Wales Island and the Outer Ketchikan area, which have many active logging operations, were the only areas to have unemployment remain at about the same level as last year. The primary factor behind the increase in unemployment in the Wrangell-Petersburg area compared to last year, was the closure of the "6 mile" lumber mill in Wrangell.

Salmon catch statistics from the Alaska Dept. of Fish and Game indicate that though the fishing effort has been strong the catch for June was poor and below catch levels of the previous 2 years. This had its impact on the processing industry which is experiencing employment levels about 3 percent less than last year.

The logging, lumber and pulp industry continued at the level set earlier this year. Employment in this industry during June was up about 13 percent compared to last year.

The seasonal tourist industry is progressing well, with growth in transportation, hotels, and retail trade.

When the high cost of travel to Alaska is considered, the fact that tourist related industries have experienced employment growth of 3 or 4 percent compared to last year is encouraging.

The end of the school year was the major factor behind the decline in local government employment in June.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

	p/ 6/80	r/ 5/80	6/79	Changes From: 5/80	6/79
Nonagricultural Wage & Salary.....	27,500	26,500	26,900	1,000	600
Construction.....	1,200	950	1,150	250	50
Manufacturing.....	4,850	4,500	4,500	350	350
Transp.-Comm. & Utilities.....	2,650	2,500	2,600	150	50
Trade.....	3,850	3,600	3,800	250	50
Wholesale Trade.....	350	300	300	50	50
Retail Trade.....	3,500	3,300	3,500	200	0
Finance-Insurance & Real Estate....	1,100	1,150	1,250	- 50	-150
Mining, Services & Misc.	3,450	3,300	3,300	150	150
Government 2/.....	10,400	10,500	10,300	-100	100
Federal.....	2,400	2,350	2,600	50	-200
State.....	4,550	4,550	4,500	0	50
Local.....	3,450	3,600	3,200	-150	250

1/ Data in this report cover the following census divisions, Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway-Yakutat, and Wrangell-Petersburg.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	p/ 6/80	r/ 5/80	6/79	p/ 6/80	r/ 5/80	6/79	p/ 6/80	r/ 5/80	6/79	p/ 6/80	r/ 5/80	6/79
ALASKA STATEWIDE	194987	188451	189182	19829	17769	16587	10.2	9.4	8.8	175158	170682	172595
ANCHORAGE-MATSU REGION	92522	89531	92781	8001	7355	7398	8.6	8.2	8.0	84521	82176	85383
ANCHORAGE	84587	81890	85062	6545	6013	6224	7.7	7.3	7.3	78042	75877	78838
MATANUSKA-SUSITNA	7935	7641	7719	1456	1342	1174	18.3	17.6	15.2	6479	6299	6545
GULF COAST REGION	24461	23531	23160	3371	2613	2108	13.8	11.1	9.1	21090	20918	21052
CORDOVA	1355	1305	1285	161	121	93	11.9	9.3	7.2	1194	1184	1192
KENAI	12981	12522	12341	1889	1520	1269	14.6	12.1	10.3	11092	11002	11072
KODIAK	5523	5194	5114	748	458	348	13.5	8.8	6.8	4775	4736	4766
SEWARD	1771	1724	1670	229	195	131	12.9	11.3	7.8	1542	1529	1539
VALDEZ	2831	2786	2750	344	319	267	12.2	11.5	9.7	2487	2467	2483
INTERIOR REGION	26718	25597	25671	3626	3244	3087	13.6	12.7	12.0	23092	22353	22584
FAIRBANKS	21825	20920	21162	2839	2540	2592	13.0	12.1	12.2	18986	18380	18570
SOUTHEAST FAIRBANKS	2094	2003	1952	281	248	179	13.4	12.4	9.2	1813	1755	1773
UPPER YUKON	526	516	470	115	119	69	21.9	23.1	14.7	411	397	401
YUKON-KOYUKUK	2273	2158	2087	391	337	247	17.2	15.6	11.8	1882	1821	1840
NORTHERN REGION	9406	8905	8955	989	864	807	10.5	9.7	9.0	8417	8041	8148
BARROW-NORTH SLOPE	3594	3396	3477	235	187	226	6.5	5.5	6.5	3359	3209	3251
KOBUK	2504	2363	2361	359	314	285	14.3	13.3	12.1	2145	2049	2076
NOME	3308	3146	3117	395	363	296	11.9	11.5	9.5	2913	2783	2821
SOUTHEAST REGION	30285	28873	29282	2644	2456	2196	8.7	8.5	7.5	27641	26417	27086
ANGOON	370	353	348	65	62	49	17.6	17.6	14.1	305	291	299
HAINES	891	846	859	129	118	112	14.5	13.9	13.0	762	728	747
JUNEAU	10751	10220	10418	842	750	710	7.8	7.3	6.8	9909	9470	9708
KETCHIKAN	6951	6622	6749	549	503	475	7.9	7.6	7.0	6402	6119	6274
OUTER KETCHIKAN	1110	1073	1085	94	102	89	8.5	9.5	8.2	1016	971	996
PRINCE OF WALES	1439	1391	1410	118	128	115	8.2	9.2	8.2	1321	1263	1295
SITKA	3982	3793	3877	324	297	292	8.1	7.8	7.5	3658	3496	3585
SKAGWAY	1593	1536	1532	170	176	138	10.7	11.5	9.0	1423	1360	1394
WRANGELL-PETERSBURG	3198	3039	3004	353	320	216	11.0	10.5	7.2	2845	2719	2788
SOUTHWEST REGION	11595	12014	9333	1198	1237	991	10.3	10.3	10.6	10397	10777	8342
ALEUTIAN ISLANDS	2940	3048	2364	204	212	169	6.9	7.0	7.1	2736	2836	2195
BETHEL	3918	4014	3120	498	462	376	12.7	11.7	12.1	3420	3545	2744
BRISTOL BAY BOROUGH	516	544	415	37	48	31	7.2	8.8	7.5	479	496	384
BRISTOL BAY	1442	1517	1189	108	134	119	7.5	8.8	10.0	1334	1383	1070
KUSKOKWIM	1095	1128	899	172	171	158	15.7	15.2	17.6	923	957	741
WADE HAMPTON	1684	1763	1346	179	203	138	10.6	11.5	10.3	1505	1560	1208

p/=Preliminary r/=Revised 1979 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

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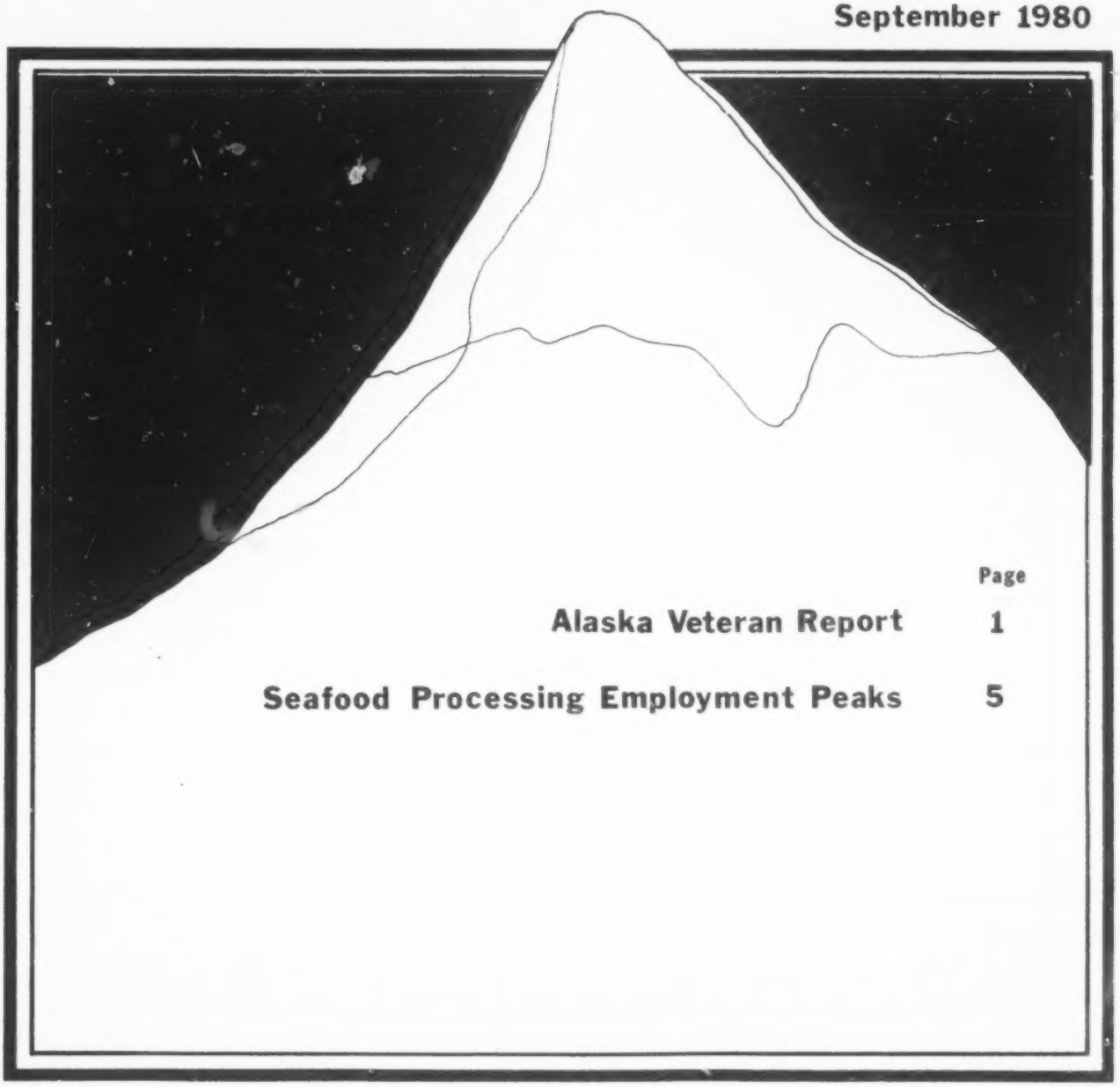
ALASKA ECONOMIC TRENDS

September 1980



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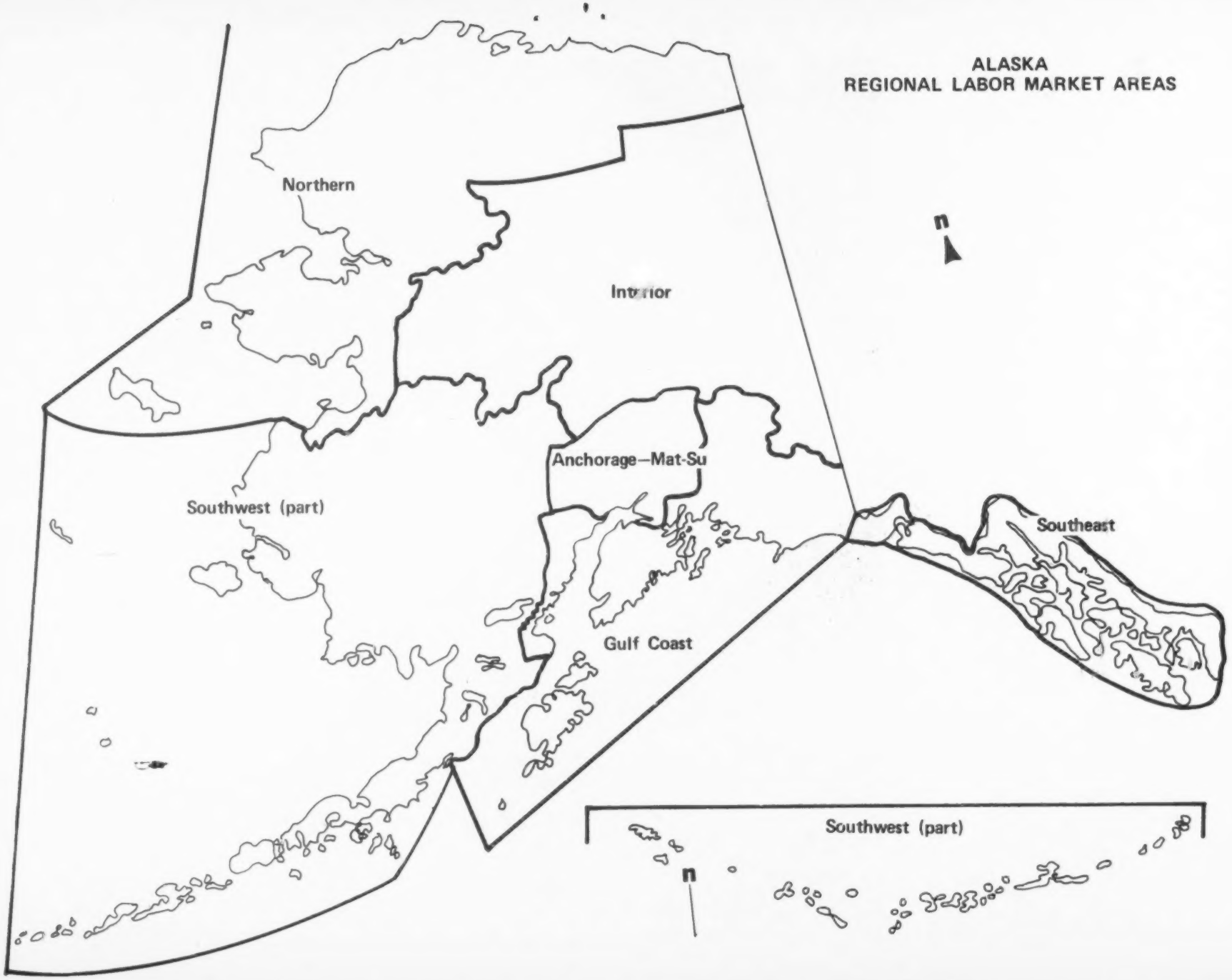

ALASKA
REGIONAL LABOR MARKET AREAS
Northern
Interior
Anchorage—Mat-Su
Southwest (part)
Southeast
Gulf Coast
Southwest (part)

ALASKA ECONOMIC TRENDS

Jay S. Hammond, Governor
State of Alaska

Edmund N. Orbeck, Commissioner
Department of Labor

Jim Souby, Director
Administrative Services

John E. Post, Chief
Research and Analysis

September 1980

Chris MIller, Editor

ALASKA VETERAN REPORT
By Jeff Hadland

Veterans in Alaska are eligible for many different programs and benefits. Because of the federal mandate to provide health benefits, retirement benefits, reemployment rights, preference for CETA jobs and education benefits, the size of the veteran population and its characteristics are of great interest to planners and administrators. Goals can be set, results measured, and needs predicted by a careful examination of available data, some of which is contained in this Alaska Veterans Report.

Most of what we know about the Alaska veteran population is derived form the 1970 census of population, U.S. Veterans Administration estimates, the 1976 Survey of Income and Education (SIE), and the Employment Security Automated Reporting System (ESARS). The 1970 census provides us with the most comprehensive information, but the information is ten years old. A great deal of inmigration during the intervening years, especially in the young male category, has lead to a proportionally larger number of veterans in Alaska than in any other state. The 1976 SIE was conducted in the spring of 1976 as a larger scale version of the current population survey, a U.S. Bureau of Census monthly report. Approximately 8,000 Alaskans were surveyed in 1976; a year highly influenced by oil pipeline construction. There may have been an elevated number of young veterans in Alaska at that time which would tend to skew the results. ESARS information is generated within the Department of Labor through the Job Service offices. Characteristics of applicants, including veteran status, is noted. Professional and union positions are generally underrepresented through the Job Service system, therefore, the applicant population is not a true reflection of the labor market or population in general. As implied by the foregoing discussion, the total veteran population in Alaska is difficult to estimate with a great degree of accuracy. Several estimates have been made but they must be viewed in light of Alaska's fast paced growth, large proportion of young males, and the great impact of the oil pipeline construction period. (see fig. 1)

Total population in Alaska has increased from 300,382 in 1970 to 406,000 as of July 1, 1979, according to U.S. Census provisional estimates. 68 percent of net migration (inmigration less emigration) is accounted for by males while 84 percent of the total migration is accounted for in the 20 to 24 age bracket. 1/ We would expect that the veteran population would grow at a faster rate than in the U.S. in general. In fact, in 1970, veterans in Alaska comprised nearly 52 percent of the civilian male population 16 years old and over, the second highest percentage in the United States. The veteran percentage in Alaska is now believed to be the largest in the United States.

1977 U.S. Veterans Administration estimates show that the number of Vietnam veterans in Alaska is approximately equal to the number of World War II veterans, with approximately one third of total veterans allocated to each category.

Most states have a much larger proportion of the older WW II veterans. WW II veterans account for 44 percent of the U.S. Veterans while Vietnam Era veterans account for 28 percent of all veterans. This reinforces our view of a relatively young Alaska veteran population with a larger need for services for that group.

The 1970 census showed that over one half of the veteran population in the United States was over 40 years of age. And even though the veteran population is expected to decline by 40 percent over the next 20 years, the aging ranks of veterans will cause increased need for health and retirement services. The current average age of U.S. veterans is approximately 56 years. (see fig. 2) By 1995 60 percent of all veterans will be over 65 and will be eligible for medical hospital and nursing home care, regardless of income.

The provision of long term care service to veterans is considered one of the major problems facing the Veterans Administration. The aging population in general is an area of concern with veterans only mirroring a general population trend. Because Alaska has a younger population, educational and employment programs are of greater need than those programs associated with the elderly.

Veterans are provided with special services in order to facilitate reentry into the job market. Because military service precludes affiliation with the private labor market, getting back into the system may be difficult. The recent veteran may lack contacts and work experience that others in their age group may have. They may also be subjected to discrimination. CETA job preference, non-discrimation regulations and rehire provisions are intended to alleviate such problems.

*Pipeline construction year - 1976 ratios applied to 1978 population estimates.
1/ See Alaska Population Overview

The unemployment rate for young veterans age 25 to 29 in the U.S. is significantly higher than that for the civilian population in general. During the first quarter of 1980 the U.S. unemployment rate for white veterans age 25 to 29 was 8.4 percent while the rate for white non veterans age 25 to 29 was 6.0 percent; substantially lower. Black veterans age 25-29 had an unemployment rate of 19 percent cent compared with the black non veteran age 25 to 29 unemployment rate of 10.8 percent. This disparity between the veteran and non veteran disappears as the age group examined gets older. There would appear to be a real problem for veterans trying to reenter the job market.

Alaska unemployment rates are typically higher than the national average (overall 10.2 percent for June 1980). This represents a particular hardship for the states larger, young veteran population.

Tables 1 and 2 list the number of veterans by characteristic and occupational category. Veteran applicants most commonly fall into structural work, professional, technical, managerial; and service occupational categories. By compa-

Figure 1

Number of Living Veterans= Alaska*

Number of Veterans	Source of estimate	Reference Date
39,500	U. S. Census	1970
41,000	Veterans Administration	1977
56,300	1976 SIE*	1978

*Survey of Income and Education recalibrated to 1978.

TABLE 1
CHARACTERISTICS OF JOB SERVICE APPLICANTS PLACED: ALASKA*
October 1, 1979 ot June 30, 1980

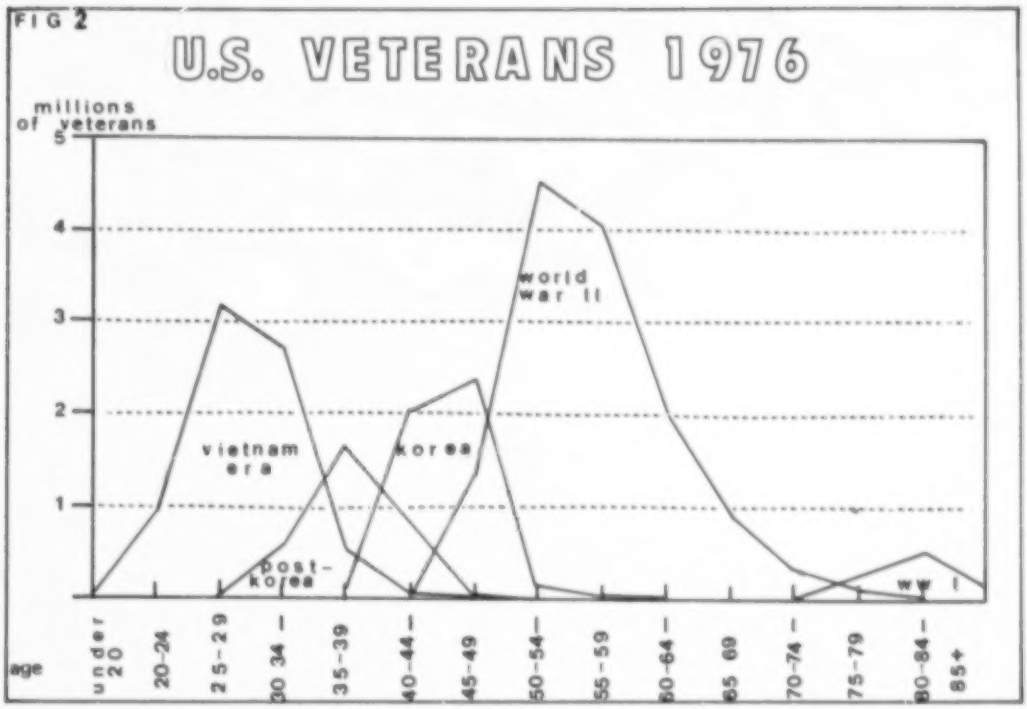
	Veteran Placements	Total Placement
Total	2,649	14,854
Age:		
under 20	34	3,432
20-24	447	4,326
25-29	675	2,691
30-34	585	1,724
35-39	298	957
40-44	217	607
45-54	256	730
55-64	124	329
65 +	13	58
Sex:		
Male	2,473	8,026
Female	176	6,828
Veteran:		
Recently separated	1,110	1,110
Disabled	160	160
Veteran Era	1,457	1,457
Special Veteran	668	668
Economically Disadvantaged	571	3,142
Food Stamp	369	1,562
Welfare	23	385
CETA	32	308
Employment Status:		
Full time	108	559
Part time	55	461
not working	2,486	13,834
Handicapped:		
Physically disabled	254	411

Source: Employment security automated reporting system.

TABLE 2
JOB SERVICE APPLICANTS BY OCCUPATION: ALASKA*
October 1, 1979 to June 30, 1980

Total	Veteran Applicants	Male Applicants	Total Applicants	Percent Veterans/Male	Percent Veterans/ Total
Professional, Technical, & Managerial	3,896	10,843	19,765	36%	20%
Clerical, Sales	678	1,480	2,919	46%	23%
Service	406	1,459	3,730	28%	11%
Farming, Fishing & Forestry	94	415	514	23%	18%
Processing	58	385	588	15%	10%
Machine Trades	325	750	784	43%	41%
Benchwork	48	109	176	44%	27%
Structural Work	1,088	3,258	3,370	33%	32%
Miscellaneous	647	2,009	2,271	32%	28%

Source: Employment security automated reporting system.



ring veteran applicants to total male applicants (female veterans accounted for approximately 7 percent of active applicants) machine trades, benchwork and professional categories have the highest proportion of veterans.

In general, the size and special characteristics of the Alaska Veteran population make for special needs. Labor market and demographic information is provided with the hope that those needs may be more intelligently addressed. Further information may be obtained from the 1980 Alaska Veterans Report, Alaska Department of Labor, Research and Analysis section.

Alaska's Labor Force in July

Unemployment in Alaska's labor force dropped significantly between June and July falling from 10.2 percent to 8.6 percent. The primary factor behind this decline was the settlement of price negotiations between Bristol Bay fishermen and the Seafood processing industry. An agreement was reached just in time for fishermen to take advantage of the record Bristol Bay salmon run during early July. As fishing activity really did not begin until after the 4th, the seafood processing industry did not reach maximum capacity until the week ending the 12th of July.

Along with the seafood processing industry the rest of Alaska's economy was doing reasonably well during the month of July. This is reflected in the nonagricultural employment index which was 163.0 during July, up from 158.6 in June. The mining industry was up quite strong due to increase activity in the northern region around Prudhoe Bay. Recent federal state lease sales have opened up more acreage for exploration, and several companies are searching for new sources of oil and gas.

The construction industry continues to remain below year ago levels, primairly due to the sluggish housing and building construction industry. On a positive note government funded projects have spurred heavy construction to approximately 4 percent growth over the previous year. Several highway and airport projects are underway throughout the state and in Southeastern Alaska hydroelectric projects near Sitka and Ketchikan were under construction.

Employment in the lumber and wood products industries continues to remain above year

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ALASKA

	P/ 7/80	R/ 6/80	7/79	CHANGES FROM: 6/80	7/79
NONAGRICULTURAL WAGE & SALARY	182200	173900	181000	8300	1200
MINING.....	6700	6400	5800	300	900
CONSTRUCTION.....	11300	10500	12100	800	-800
MANUFACTURING.....	20800	15300	20900	5500	-100
FOOD & KINDRED PRODUCTS.....	14200	8500	14600	5700	-400
LUMBER & PAPER PRODUCTS.....	3900	4200	3700	-300	200
ALL OTHER MANUFACTURING.....	2700	2600	2600	100	100
TRANS. COMM. & UTILITIES.....	17700	17700	18100	0	-400
TRUCKING & WAREHOUSING.....	2300	2100	2300	200	0
WATER TRANSPORTATION.....	1400	1500	1400	-100	0
AIR TRANSPORTATION.....	5400	5300	5700	100	-300
OTHER TRANS. COMM. & UTILITIES	8600	8900	8700	-200	-100
TRADE.....	30300	29900	30900	400	-600
WHOLESALE TRADE.....	5900	5600	6000	300	-100
RETAIL TRADE.....	24400	24300	24900	100	-500
GEN. MERCHANDISE & APPAREL	4200	4200	4200	0	0
FOOD STORES.....	3800	3700	3800	100	0
EATING & DRINKING PLACES....	8200	8100	8700	100	-500
OTHER RETAIL TRADE.....	8200	8300	8200	-100	0
FINANCE-INSURANCE & REAL ESTATE.	8600	8400	9000	200	-400
SERVICES & MISCELLANEOUS.....	33300	31100	31500	2200	1800
TOTAL GOVERNMENT.....	53500	54600	52700	-1100	800
FEDERAL GOVERNMENT.....	18200	18000	18700	200	-500
STATE GOVERNMENT.....	15100	15200	15200	-100	-100
LOCAL GOVERNMENT.....	20200	21400	18800	-1200	1400

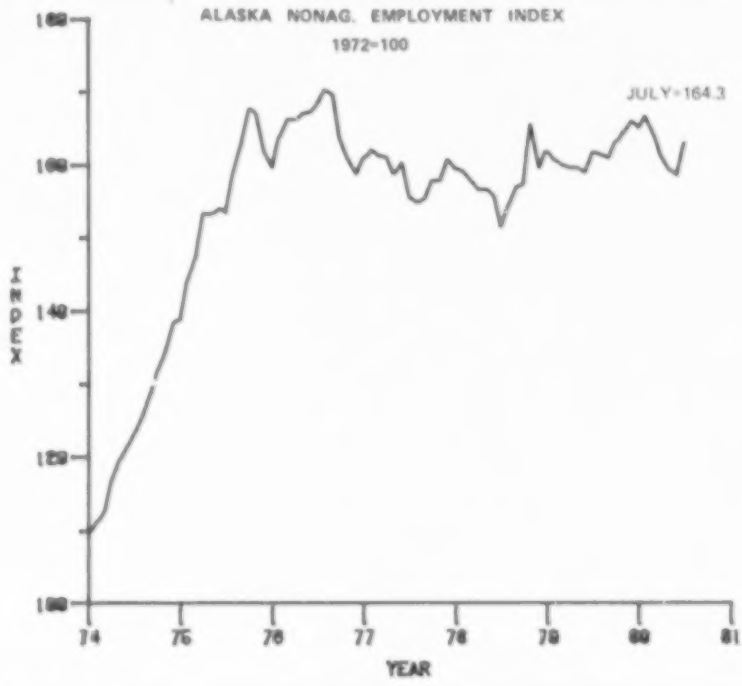
1/ PREPARED IN COOPERATION WITH THE U.S. BUREAU OF LABOR STATISTICS.

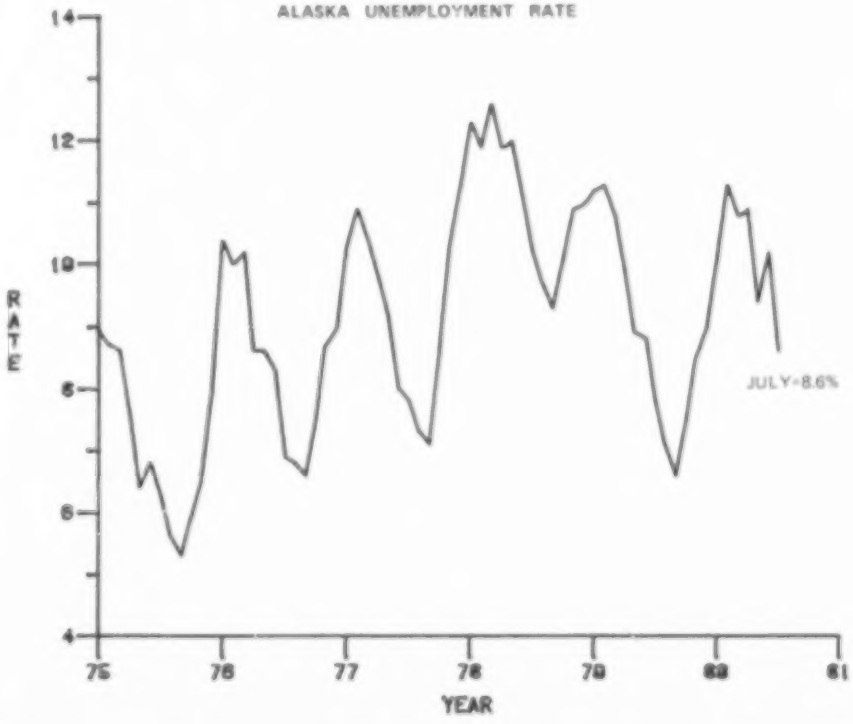
2/ INCLUDES TEACHERS IN PRIMARY AND SECONDARY SCHOOLS, AND PERSONNEL EMPLOYED BY THE UNIVERSITY OF ALASKA.

3/ BENCHMARK DATE MARCH 1979.

P/ DENOTES PRELIMINARY ESTIMATES.

R/ DENOTES REVISED ESTIMATES.


ALASKA NONAG. EMPLOYMENT INDEX
1972=100
JULY=164.3
INDEX
YEAR
74
75
76
77
78
79
80
81


ALASKA UNEMPLOYMENT RATE
RATE
JULY=8.6%
YEAR
14
12
10
8
6
4
75
76
77
78
79
80
81

ago levels, however because of the annual mid season shut down in the logging camps around Southeastern employment levels for July are down from the prevous month. This can last from 1 to 3 weeks.

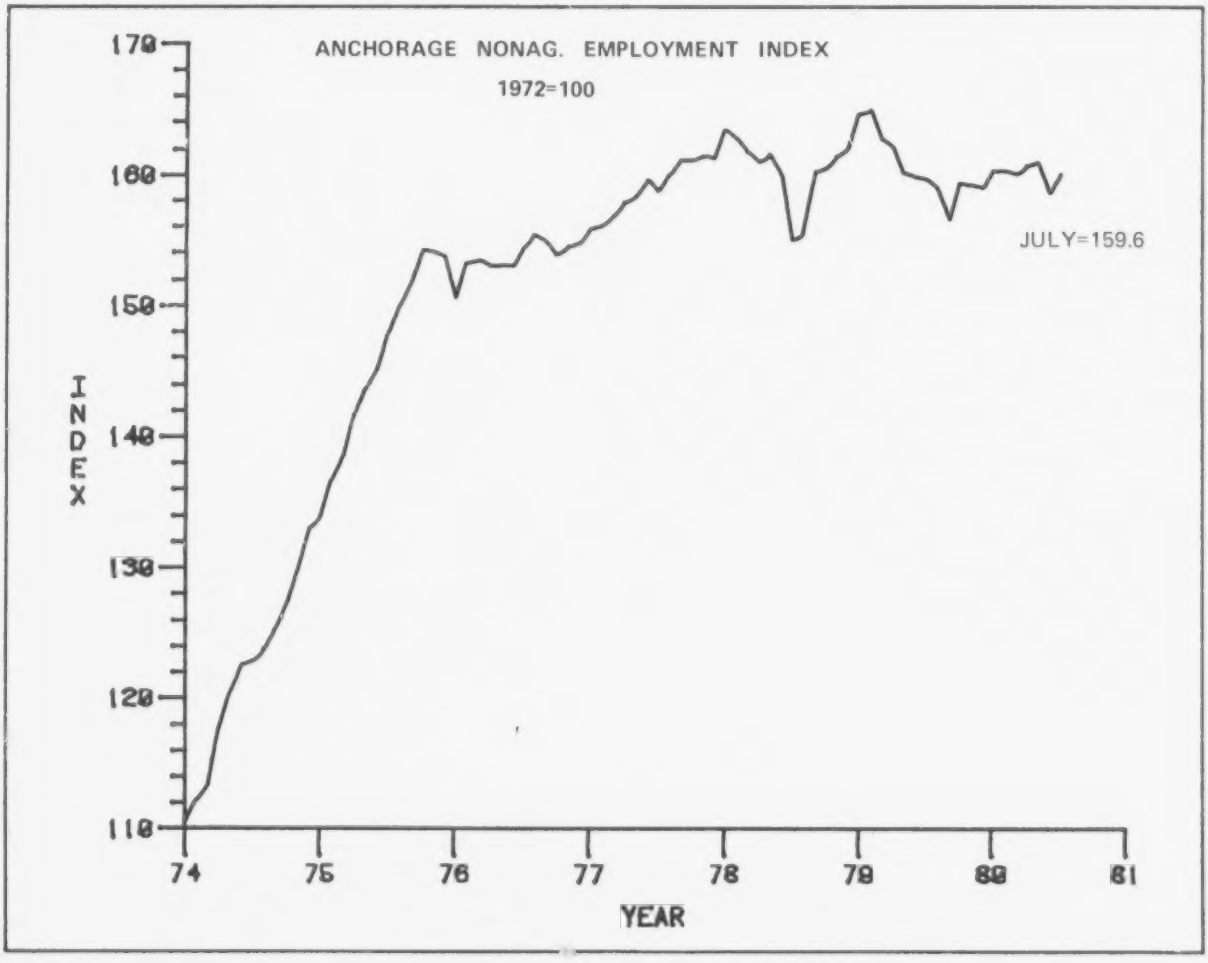
Outside of the seafood processing industry the services industry experienced the most growth over the month during July. Almost half of this growth was in the business services sector. Much of this growth can be directly related to activity in the oil industry. Firms involved in surveying, geological research, and other oil field services have been quite busy this summer. The rest of the growth is scattered fairly evenly throughout the services industry.

The only major industry to experience a decline during July was the government sector. This was primarily due to the end of the school year in local government.

ANCHORAGE'S LABOR FORCE IN JULY

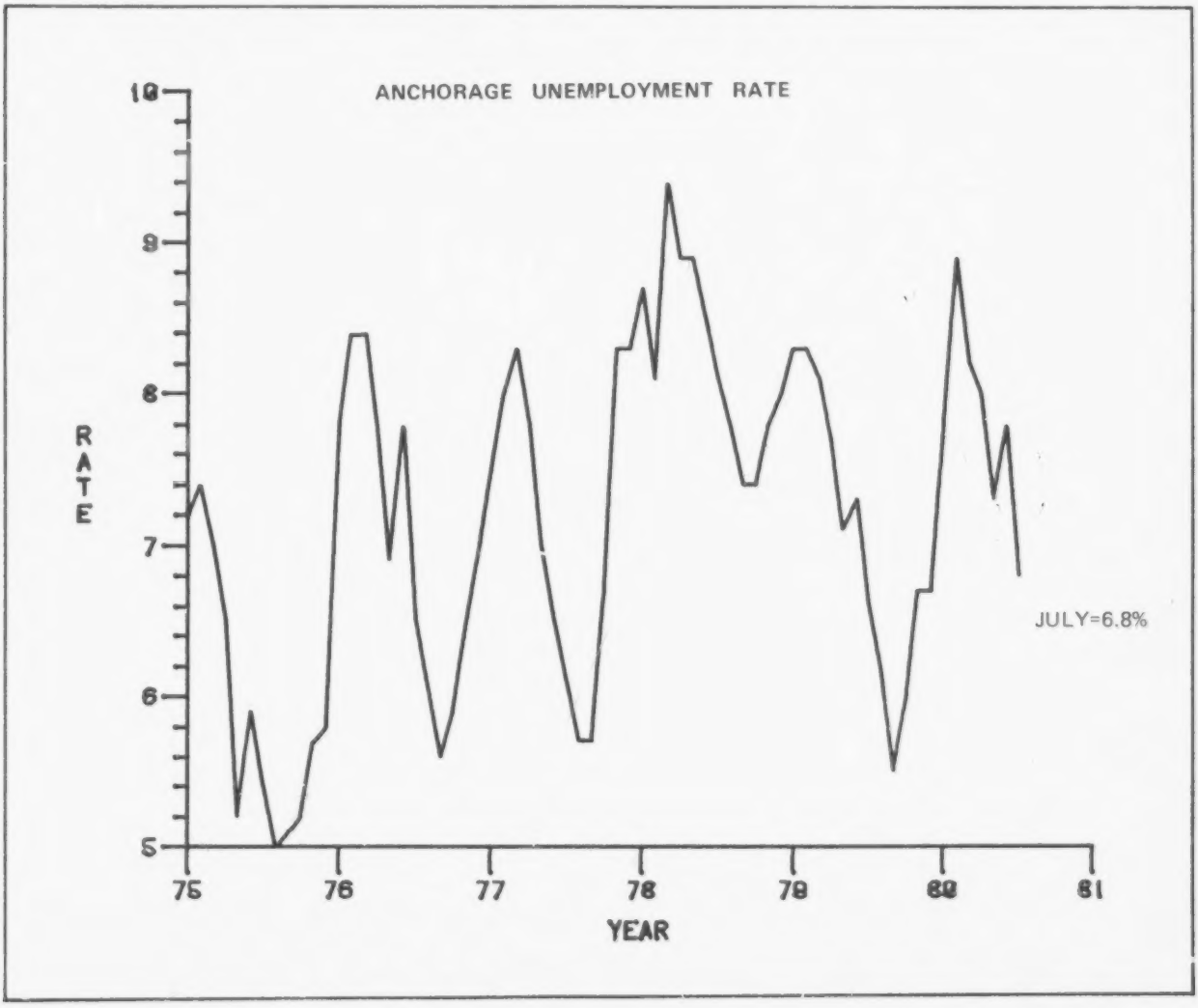
The unemployment rate for Anchorage dropped a full percentage point to 6.8 percent in July. This is a larger than normal monthly drop, but not necessarily a signal of a changing economy. The unemployment rate rose in June as the number of unemployed entering the labor market overwhelmed the slow seasonal growth in jobs. In July the seasonal growth in jobs continued wiping out the excess number of unemployed which built up in June.

The large drop in July's rate puts unemployment more in line with last year's rate. The unemployment rate has been consistantly remaining above that which was recorded in the same months of 1979. The rates are still below 1978 when the highest post pipeline rates were recorded.



During July, total nonagricultural wage and salary employment continued it's oscillation. Last month it was below the level of June 1979. This month it is above July 1979 levels. The trend remains, that wage and salary employment is nearly the same as last year. Even though the net effect is for little over the year change in total wage and salary employment, there have been some shifts in the employment totals for the individual industries.

The construction industry remains the big loser. So while most other industries are slightly above year ago levels, the construction industry wipes out their small gains and leaves the total net change near zero. Construction remains in the doldrums as interest rates remain high and population growth remains low. The main declining sectors are in general construction and the specialty trades. The housing market is more promising as financing becomes available and vacancy rates decline, but even a late summer spurt in construction will not raise employment levels above last year. A look at the number of building permits issued by the Municipality of Anchorage could give an optimistic outlook. Permits were issued for 133 dwelling units--substantially more than July 1979, and about equal to July 1978. The issuing of permits fell off abruptly last July and remained at extremely low levels for the past 12 months. This is the first month this year when a moderate number of per-



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE

	P/ 7/80	R/ 6/80	7/79	CHANGES FROM: 6/80	7/79
NONAGRICULTURAL WAGE & SALARY.....	79700	79100	79450	600	250
MINING.....	2250	2100	1850	150	400
CONSTRUCTION.....	5850	5600	6650	250	-800
OTHER TRANS. COMM. & UTILITIES	2250	1800	2200	450	50
FOOD & KINDRED PRODUCTS.....	1000	550	850	450	150
OTHER MANUFACTURING.....	1250	1250	1350	0	-100
TRANS. COMM. & UTILITIES.....	8750	8750	8400	0	350
TRUCKING & WAREHOUSING.....	1100	1150	1200	-50	-100
WATER TRANSPORTATION.....	300	400	350	-100	-50
AIR TRANSPORTATION.....	3550	3400	3150	150	400
OTHER TRANSP.-COMM. & UTILITIE	3800	3800	3700	0	100
TRADE.....	17350	17500	17250	-150	100
WHOLESALE TRADE.....	4100	4100	4150	0	-50
RETAIL TRADE.....	13250	13400	13100	-150	150
GENERAL MERCHANDISE	1850	1800	1700	50	150
FOOD STORES.....	1850	1850	1600	0	250
EATING & DRINKING PLACES....	4550	4650	4700	-100	-150
OTHER RETAIL TRADE.....	5000	5100	5100	-100	-100
FINANCE-INSURANCE & REAL ESTATE.	5300	5200	5300	100	0
SERVICES & MISCELLANEOUS.....	16350	16050	16050	300	300
GOVERNMENT 2/.....	21600	22100	21750	-500	-150
FEDERAL.....	9500	9600	9750	-100	-250
STATE.....	4850	4850	4600	0	250
LOCAL.....	7250	7650	7400	-400	-150

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3/ BENCHMARK DATE MARCH 1979.

P/ DENOTES PRELIMINARY ESTIMATES.

R/ DENOTES REVISED ESTIMATES.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
ANCHORAGE-MATSU

	P/ 7/80	R/ 6/80	7/79	CHANGES FROM: 6/80	7/79
NONAGRICULTURAL WAGE & SALARY.....	82450	82100	82350	350	100
MINING.....	2250	2100	2150	150	100
CONSTRUCTION.....	6000	5800	6850	200	-850
MANUFACTURING.....	2350	1850	2250	500	100
TRANSP.-COMM. & UTILITIES.....	9150	9200	8750	-50	400
TRADE.....	18000	18150	17850	-150	150
FINANCE-INSURANCE & REAL ESTATE.	5450	5300	5400	150	50
SERVICES & MISCELLANEOUS.....	16500	16500	16250	100	350
GOVERNMENT 2/.....	22550	23200	22850	-550	-200

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mits were issued. It is far too early to say that residential construction has returned to normal. Nearly all these permits were for single family housing, and many may not be constructed for a while.

The other side of the coin is the one industry which is showing surprising strength. Mining is a small industry, so even large growth rates produce a small absolute change, but it is also a basic industry. Being a basic industry, it imports capitol from outside and stimulates growth in other industries. The most obvious evidence of the increased mining activity is the fabrication of three drilling rigs designed for arctic operation. Crews who will be operating the rigs are participating in the fabrication here in Anchorage.

ANCHORAGE MAT-SU LABOR FORCE IN JULY

The unemployment rate for the Anchorage MatSu region declined this month just as it did in Anchorage. However, it remains at a higher level pulled up by the unusually high rate in the Matanuska-Susitna Valley. MatSu has one of the highest rates in the State. Only the Upper Yukon has a higher rate.

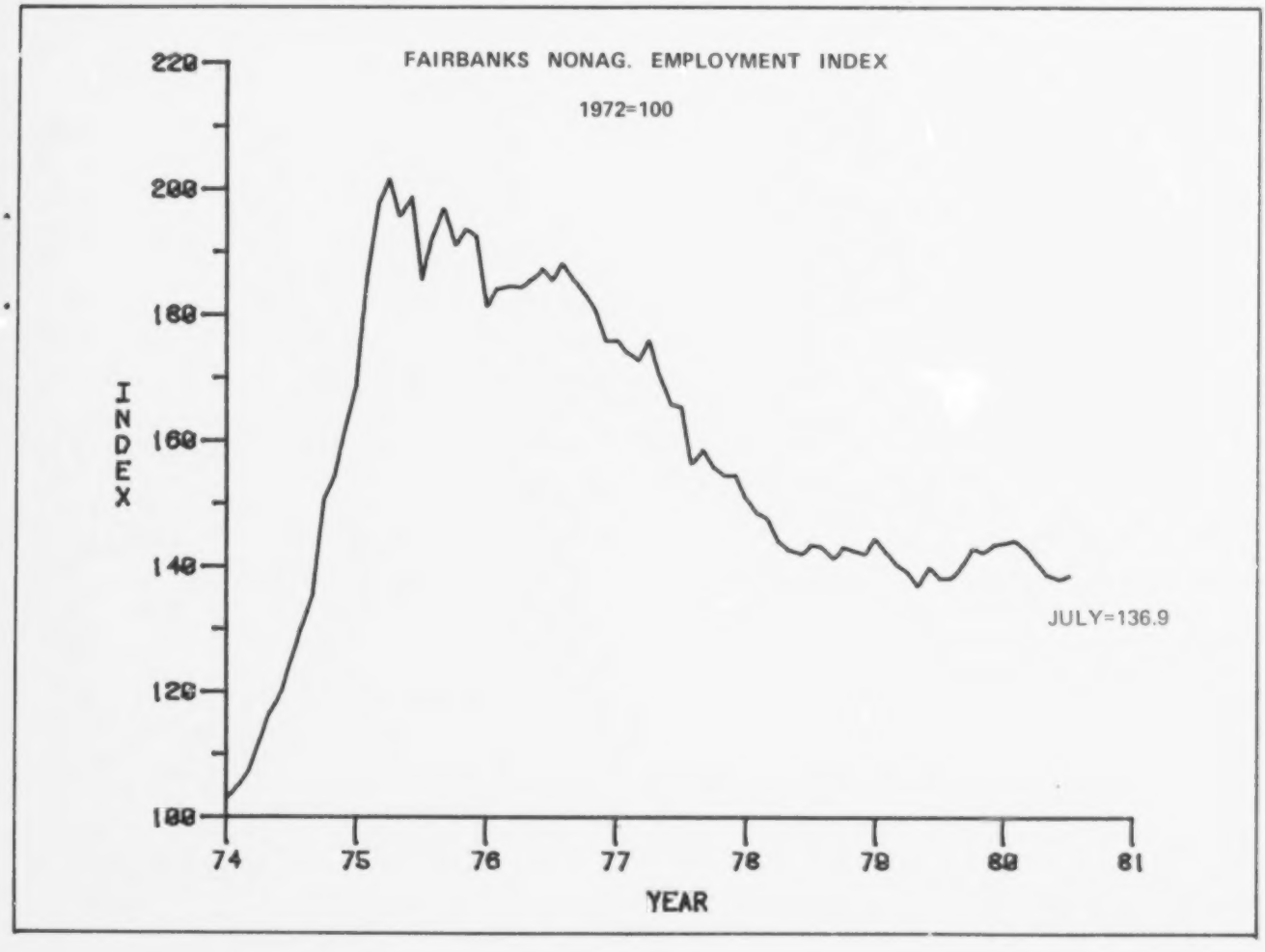
Total nonagricultural wage and salary employment is nearly at the same level as last year. Employment counted at the place of work in the valley has been relatively stable over the past year. Small gains in one industry have been offset by declines in another.

However, unemployment has been showing an increase. The estimate of the number of unemployed for MatSu in July was 1349. This is the highest it has ever been during July. Workers who reside in the valley, but find seasonal work elsewhere in the State are obviously having a tougher time finding steady employment this summer.

The Anchorage area has a new reading on inflation as measured by the Anchorage Consumer Price Index for All Urban Consumers. The index changed 10.1 percent from July 1979 to July 1980. This is a slight moderation from earlier this year, but still within the narrow range established 2 years ago. The entertainment sector sh[illegible] the smallest amount of inflationary pr[illegible]sure with an annual rate of change of 4 percent. During these lean and competitive times, the demand for entertainment is low. The sectors with the largest annual rate are Apparel and Upkeep, Medical Care and Transportation. The annual rate for transportation has been high for some time due mainly to the increases in gasoline prices. It actually moderated some in July. Apparel and Upkeep took a big jump with this measurement while Medical Care rose sharply early in the year.

FAIRBANKS' LABOR FORCE IN JULY

Fairbanks' unemployment rate in July dropped by slightly more than 2 percentage points compared with June, but 10.4 percent is barely below year ago levels. The changes for the total wage and salary employment level have over the past year



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
FAIRBANKS

	P/ 7/80	R/ 6/80	7/79	CHANGES FROM: 6/80	7/79
NONAGRICULTURAL WAGE & SALARY.....	22200	21600	22100	600	100
MINING.....	50	50	50	0	0
CONSTRUCTION.....	1850	1650	2100	200	-250
MANUFACTURING.....	600	550	550	50	50
TRANSP.-COMM. & UTILITIES.....	2800	2800	2850	0	-50
TRUCKING & WAREHOUSING.....	450	450	450	0	0
AIR TRANSPORTATION.....	700	700	800	0	-100
OTHER TRANSP.-COMM. & UTILITIE	1650	1650	1600	0	50
TRADE.....	3900	3750	4050	150	-150
WHOLESALE TRADE.....	700	650	700	50	0
RETAIL TRADE.....	3200	3100	3350	100	-150
GENERAL MERCHANDISE & APPARE	450	450	450	0	0
FOOD STORES.....	550	550	550	0	0
OTHER RETAIL TRADE.....	2200	2100	2350	100	-150
FINANCE-INSURANCE & REAL ESTATE.	800	800	900	0	-100
SERVICES & MISCELLANEOUS.....	5100	4850	4600	250	500
GOVERNMENT 2/.....	7100	7150	7000	-50	100
FEDERAL.....	2200	2100	2250	100	-50
STATE.....	2950	3050	2750	-100	200
LOCAL.....	1950	2000	2000	-50	-50

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3/ BENCHMARK DATE MARCH 1979.

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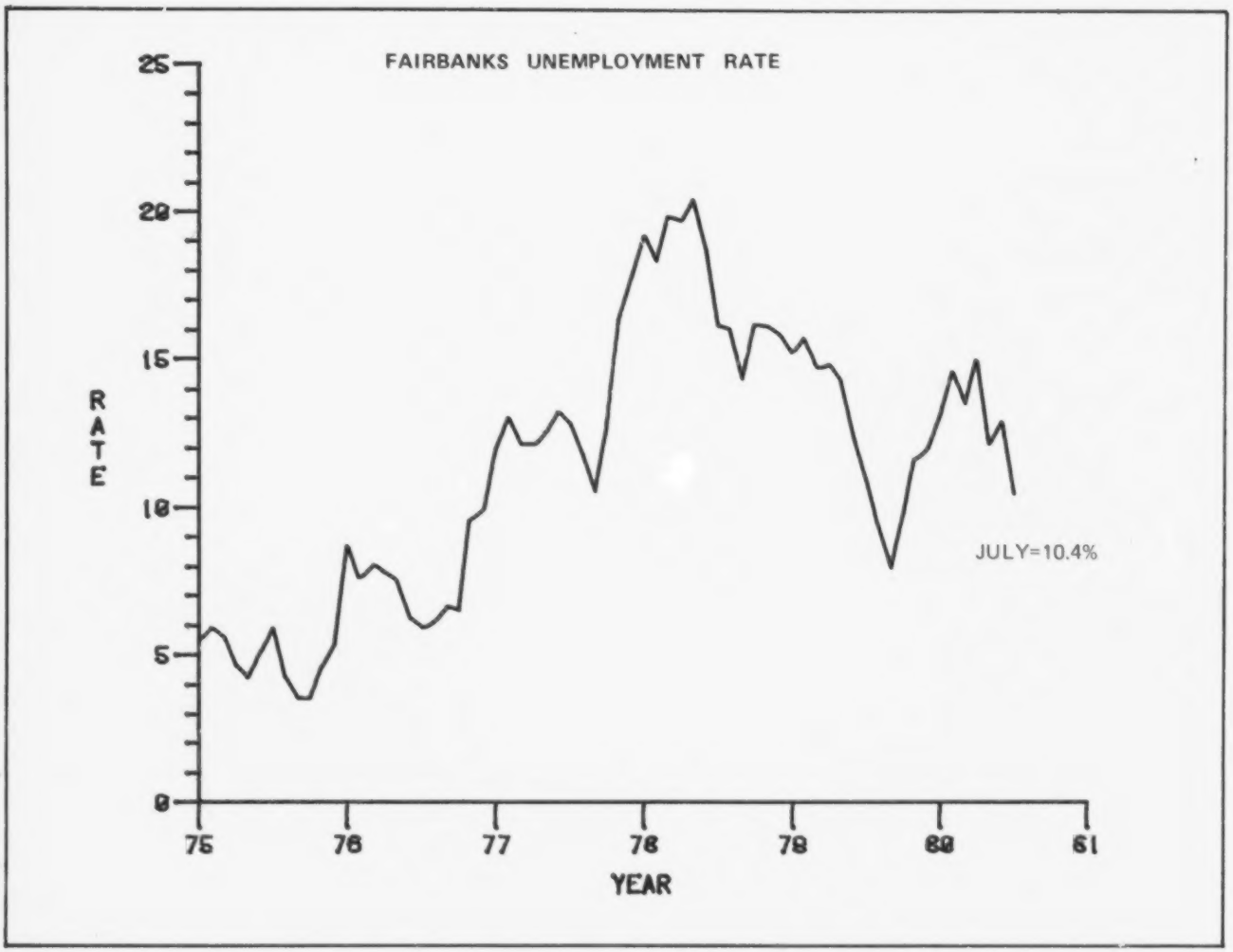

registered an increase of merely 100 workers. No distinct trend has been set with regard to employment figures this year. They have wavered back and forth for the past three months, with one month's employment above last year's levels and the next month's somewhat below. This seems to indicate that the overall employment levels this year will not differ substantially from 1979 levels. This falls in line with the condition of the less than robust statewide economy and Anchorage's extremely sluggish economy.

Comparing the July figures to last month's we see that wage and salary employment grew by 600, an increase above the historial average from June to July. Only 3 times in the past 10 years has the increase been greater. Much of the increase has come from the traditional summer employment booster, construction. Compared with year-ago levels, though, the construction industry has not been holding its own. For July, construction employment is approximately 13.4 percent below last year's levels, which represents the largest decline of all the industries. The service industry, on the other hand, has experienced a 5.9 percent increase above year-ago levels. The employment in this industry topped all other industries by adding 250 to its ranks in the past month. Some of this increase is surprisingly construction related! As discussed in articles of previous months, the State legislature passed record appropriations largely via the capital budget and HB60. It was also stated

that nearly all of these projects would not get underway this year, but would have to wait for the completion of administrative and design work.

This means the architectural, surveying and engineering service firms are already getting a taste of these record appropriations. Thus many firms have increased their staffs in order to handle the additional design work needed for their projects. Preliminary engineering, design surveying and testing work has also recently been contracted out by Northwest Pipeline Company adding to their load. This is further compounded by the survey work being done for the state land disposal program which is now disposing of 100,000 acres of land per year as mandated by law. According to the Department of Natural Resources, which is administering this program, nearly every surveying firm in Fairbanks received at least one contract, and in many cases more than one.

Fairbanks firms are not only picking up the work for projects which are planned for the Fairbanks area, but are also receiving much of the business on projects throughout the Interior and Northern Regions. According to one of the larger architectural/engineering/ surveying firms, a large percentage of the proposed projects have not yet hit their design boards, which means that during the next two years or more these firms will be busy with the design phases of various projects and will continue to increase their staffs.

INTERIOR'S LABOR FORCE IN JULY

The Interior's employment picture like Fairbanks' has not been very dynamic this summer season. The overall unemployment rate for July dropped from 13.9 in June to 11.1 percent. In the rural divisions of the Interior, the rate dropped less and was higher than the overall rate. Gold mining has been one of the few seasonal industries that has experienced real growth over the previous year. The fire-fighting season, which many in the rural Interior depend on for employment each summer, began busily in May with the fires in Delta and Blair Lakes, but by July there was very little activity in the area. Fires are fought by state crews on state land and Federal crews on Federal land. The State Department of Natural Resources hired few emergency fire fighting crews in May and June and this is reflected in the state government employment. BLM's fire season has also been far below average this year. They have hired very few emergency fire fighting crews from the Interior towns and villages this year or from elsewhere in the State.

The over the month wage and salary employment increase for the balance of the Interior (excluding Fairbanks) did not grow at all this month but actually declined slightly. Some industries, such as construction and services, increased slightly and others, such as government and trade, moved in the opposite direction. The single largest building construction project in the Interior this summer is the construction of pump station 7 which is located 45 miles north of Fairbanks. Under contract with Alyeska, Fluor began work on the pump station last year on some preliminary site work and building the camp. Most of the work is being done this construction season. The pump station is expected to be completed and operating by December of this year. The workforce peaked in June but approximately 250 workers were still on the job in July. The pump station is smaller than all other pump stations with the exception of pump station 2. Most of the pump stations operate three pumps, whereas pump stations 2 and 7 both operate two pumps. The new station is being built to take some of the load off of the existing stations, preventing excessive wear on the pumps. It is not to increase the volume of oil that can be pumped through the pipeline. According to Alyeska, this will likely be the last pump station to be built on the pipeline. When the project is completed, it will take a permanent crew of 20-30 to operate the station.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
INTERIOR

	P/ 7/80	R/ 6/80	7/79	CHANGES FROM: 6/80	7/79
NONAGRICULTURAL WAGE & SALARY.....	26600	26150	26450	450	150
MINING.....	300	300	150	0	150
CONSTRUCTION.....	2150	1900	2250	250	-100
MANUFACTURING.....	800	750	700	50	100
TRANSP.-COMM. & UTILITIES.....	3800	3750	3850	50	-50
TRADE.....	4100	4000	4250	100	-150
FINANCE-INSURANCE & REAL ESTATE.	950	900	950	50	0
SERVICES & MISCELLANEOUS.....	5500	5200	5100	300	400
GOVERNMENT 2/.....	9000	9350	9200	-350	-200

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3/ BENCHMARK DATE MARCH 1979.

P/ DENOTES PRELIMINARY ESTIMATES.

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NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/ 7/80	R/ 6/80	7/79	CHANGES FROM: 6/80	7/79
NONAGRICULTURAL WAGE & SALARY....	28250	27600	27700	650	550
CONSTRUCTION.....	1200	1150	1200	50	0
MANUFACTURING.....	5500	4900	5300	600	200
TRANSP. COMM. & UTILITIES.....	2550	2650	2650	-100	-100
TRADE.....	3950	3850	3850	100	100
WHOLESALE TRADE.....	400	350	350	50	50
RETAIL TRADE.....	3550	3500	3500	50	50
FINANCE-INSURANCE & REAL ESTATE	1100	1100	1250	0	-150
MINING, SERVICES & MISC.....	3550	3500	3350	50	200
GOVERNMENT 2/.....	10400	10450	10100	-50	300
FEDERAL.....	2400	2400	2500	0	-100
STATE.....	4500	4500	4500	0	100
LOCAL.....	3400	3450	3000	-50	400

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3/ BENCHMARK DATE MARCH 1979.

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R/ DENOTES REVISED ESTIMATES.

SOUTHEAST ALASKA'S LABOR FORCE IN JULY TOTAL

Total unemployment in the Southeastern region declined from 8.7 percent in June to 7.5 percent in July. Unemployment rates declined in most communities around the region. The only area to experience an increase in unemployment during July was Prince of Whales Island. This was due largely to the normal midseason shutdown of the logging industry which has several camps located on the island.

Activity in the seafood processing industry was quite evident throughout the region. Though the Chinook salmon harvest was below normal, most other salmon fisheries were doing better than average during the survey week. Most processing plants were in operation and should remain so at least through August.

Tranportation was the only sector of private industry to experience a decline in employment during July. The decline was due to a slight drop in activity among firms engaged in stevedoring. This occurred primarily in the Ketchikan and Sitka areas. The rest of the transportation industry remained relativily unchanged from June.

On the whole Southeast Alaska's economy has been quite stable over the year. Wage and salary employment is up about 2 percent from last year, compared to about 0.6 percent growth for the state as a whole.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	AVERAGE HOURLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE WEEKLY EARNINGS		
	p/ 6/80	r/ 5/80	6/79	p/ 6/80	r/ 5/80	6/79	p/ 6/80	r/ 5/80	6/79
MINING	17.88	18.38	16.77	50.4	55.1	52.4	901.15	1012.74	878.75
CONTRACT CONSTRUCTION	19.22	19.26	17.88	43.8	41.6	41.1	841.84	801.22	734.87
MANUFACTURING	10.51	10.33	8.44	37.5	41.9	50.6	394.13	432.83	427.06
Food & Kindred Products	7.56	7.24	6.26	34.6	40.5	54.9	261.58	293.22	343.67
Lumber & Paper Products	13.75	13.44	12.38	41.7	45.2	45.2	573.38	607.49	559.58
TRANSPORTATION,COMM. & UTILITIES.	12.73	12.43	12.55	34.2	33.9	35.4	435.37	421.38	456.82
TRADE	9.05	8.85	8.18	36.0	34.5	35.7	325.80	305.33	292.03
Wholesale Trade	11.23	10.93	9.72	43.6	38.2	39.0	491.81	417.53	379.08
Retail Trade	8.19	8.08	7.60	33.7	33.3	34.6	276.00	269.06	262.96
FINANCE,INSURANCE & REAL ESTATE..	--	--	--	--	--	--	239.10	274.83	246.76

1/ Prepared in cooperation with the Bureau of Labor Statistics US Department of Labor

2/ excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

HOURS AND EARNINGS IN JUNE

Average hourly earnings and weekly hours in the mining industry declined from May to June. The decline in average earnings is thought to be the result of hiring additional laborers for sight preparation work for next winter's drilling season. This was the second month in a row that average earnings declined in this industry.

Average weekly earnings in manufacturing were down about 8 percent compared to last year. The price dispute between fishermen and seafood processors during June was the cause of the decline. Processors in the Bristol Bay and Kodiak did not begin processing salmon until mid-July.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	p/ 9/80	r/ 5/80	7/79	p/ 9/80	r/ 5/80	7/79	p/ 9/80	r/ 5/80	7/79	p/ 9/80	r/ 5/80	7/79
ALASKA STATEWIDE	301980	295401	285496	17415	19115	14507	5.7	10.5	5.4	283794	276455	270373
SOUTHEAST-GULF REGION	31751	31837	29495	2151	2337	1457	6.7	6.9	4.7	29595	29580	28149
JUNEAU	15755	15945	14799	1017	1133	774	6.8	7.8	5.5	14734	14813	14025
KETCHIKAN-WRANGELL	7935	7981	7415	1159	1454	1025	15.9	19.4	13.9	6537	6527	6389
SOUTHCENTRAL REGION	31811	31975	31549	1991	1995	1337	10.1	11.5	7.9	28113	31535	29372
CORDOVA	1491	1379	1309	179	161	74	8.5	11.7	5.7	1335	1217	1235
KODIAK	14091	13139	12595	1415	1891	1129	10.0	14.3	9.0	12592	11335	11477
SEWARD	5157	5517	5177	597	750	245	11.3	13.4	4.7	5459	4857	4911
VALDEZ	1931	1852	1725	151	133	130	7.7	12.9	7.5	1751	1572	1595
	3131	3973	3732	388	385	283	9.3	13.0	7.8	3483	3534	2574
INTERIOR REGION	37330	37019	35619	3953	3545	2784	11.1	11.4	11.9	34137	31147	32723
FAIRBANKS	23135	23174	21979	2135	2345	2237	10.4	12.9	10.9	20010	19229	19593
SOUTHEAST FAIRBANKS	2155	2117	1955	255	281	171	11.3	13.3	8.7	1911	1835	1794
NORTH SLOPE	573	531	533	120	115	55	21.7	21.7	17.3	453	415	434
YUKON-KOYUKUK	3333	2797	2174	349	391	252	15.0	17.0	12.0	1933	1995	1352
NORTHERN REGION	9113	9491	8135	957	941	756	10.1	10.4	9.1	8371	8532	7437
BARROW-NORTH SLOPE	3582	3526	3175	399	235	218	8.5	6.5	6.7	3342	3391	2952
KOTZEBUE	2531	2525	2177	353	377	231	14.7	14.7	12.9	2134	2165	1991
NOME	3254	3339	2933	384	395	309	11.4	11.7	9.5	3003	2943	2559
SOUTHWEST REGION	11514	11331	29519	2355	2545	1771	7.5	8.7	5.1	28158	27595	27748
ANGOON	354	370	349	42	55	43	11.5	17.4	12.4	322	315	335
BARROW	977	897	933	133	129	75	13.3	14.5	9.1	904	753	752
BETHEL	11153	10757	10535	719	812	533	5.4	7.8	5.9	10550	9925	9912
DILLINGHAM	7255	5953	5780	501	553	395	5.9	7.9	5.7	5758	5413	5434
DUTCH HARBOR	1154	1112	1532	92	94	55	7.9	9.5	5.1	1072	1018	1016
PRIBOF ISLANDS	1535	1443	1431	132	119	113	9.7	8.3	7.9	1394	1323	1321
	4179	3913	3974	320	324	255	7.7	8.1	6.8	3859	3554	3559
	1651	1535	1540	155	170	117	9.1	10.7	7.5	1501	1425	1423
WRANGELL-PETERSBURG	3280	3252	3029	374	352	193	9.5	11.0	6.0	3302	2950	2845
SOUTHWEST REGION	12244	11759	15319	1139	1251	795	9.1	10.2	7.8	11105	10555	9114
ALEUTIAN ISLANDS	3074	2933	2702	148	205	175	4.7	5.9	6.8	2925	2728	2477
KODIAK	4155	3971	3607	503	499	319	12.1	13.6	9.1	3653	3472	3287
PRIBOF ISLANDS	535	523	555	23	37	21	4.3	7.1	4.5	513	495	434
	1507	1453	1398	73	109	75	5.2	7.5	5.9	1429	1354	1209
	1174	1153	378	195	177	143	15.9	15.5	14.5	979	917	835
WADE HAMPTON	1747	1707	1697	175	179	135	9.9	10.5	9.1	1511	1528	1352

p/=Preliminary r/=Revised 1979 benchmark

Federal guidelines require the use of unrevised labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.